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BUDGET VIEWS AND ESTIMATES FOR FISCAL YEAR 1983

A REPORT

SUBMITTED TO THE

BUDGET COMMITTEE

(Pursuant to Section 301(c) of Public Law 93-344)

PREPARED BY THE

SELECT COMMITTEE ON INDIAN AFFAIRS
UNITED STATES SENATE

APRIL 1982

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LETTER OF TRANSMITTAL

U.S. SENATE,
SELECT COMMITTEE ON INDIAN AFFAIRS,
Washington, D.C., May 5, 1982.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 301(c) of the Congressional Budget Act of 1974, and a poll of the Committee on April 28, 1982, by a vote of 7 in favor and 0 opposed, the Select Committee on Indian Affairs is submitting the enclosed report to the Committee on the Budget. This report comprises views and estimates with regard to Indian programs administered by the Department of the Interior, Bureau of Indian Affairs; the Department of Health and Human Services, Indian Health Service; and, the Department of Education, Office of Indian Education. In addition, this report provides views on the Department of Labor, Native American Indian Programs and the Department of Housing and Urban Development's Indian Housing Program, programs which are not under the authorizing jurisdiction of this Committee.

Budget functions addressed in this report are: Health Care Services (Subfunction 551); Elementary, Secondary, and Vocational Education (Subfunction 501); Area and Regional Development (Subfunction 452); Conservation and Land Management (Subfunction 302), Other General Government (Subfunction 806); Housing Assistance (Subfunction 604); and Training and Employment (Subfunction 504).

This Committee is particularly concerned about Administration proposals for program changes or deletions of programs which have been of vital importance to Indian tribes and Indian people in past years: programs involving health care delivery, educational needs, housing, job training, and employment assistance. The Administration has proposed for the second year in a row to zero fund the Indian Housing Program at HUD but has yet to propose an alternative program. Forty percent of all housing on Indian reservations and other special trust areas in Oklahoma and Alaska are in substandard condition. The Administration has also proposed to zero fund the Indian Health Service Facilities Construction account for delivery of water and sanitation facilities to housing now already constructed or in the HUD Indian Housing Program pipeline. Housing remaining in the HUD pipeline will, therefore, be constructed without access to water or sanitation facilities.

The Committee is concerned about the proposal to zero fund the IHS Urban Indian Health Program, an outreach and referral pro-

gram serving approximately 300,000 off-reservation Indians at a minimal cost of about $8,000,000. The Committee is concerned with the Administration proposal to zero fund the IHS Community Health Representative program, a program employing reservation based Indians in the delivery of health care in areas which in many cases are in remote locations hours away from the nearest medical facilities or technicians. In the absence of this program, many Indians will simply be without access to any health services.

The Committee is concerned with the Administration proposal to transfer the Title IV Indian Education Programs from the Department of Education to the Bureau of Indian Affairs. This proposal would reduce funding for these programs by nearly 35 percent and undoubtedly will result in denial of benefits to a very large percentage of Indian students, possibly as high as 50 percent, currently benefitting from these programs. As much as 80 percent of all Indian students presently attend public schools. The slash in program levels and reduction in service population will directly affect these public school districts.

The Committee is also concerned about the Administration proposal to reduce by 21 percent Impact Aid assistance to public schools with significant attendance of Indian children residing on Indian Reservations or trust lands which are not subject to local taxation. The additional burden this reduction will place on many local school districts will compel them to seek aid from their state governments or from other Federal sources.

The Committee is concerned with the proposal to eliminate funding for off-reservation Indian Child Welfare Act programs that through crisis intervention or other counseling, prevent Indian children from being separated from their families or, alternatively, that provide emergency assistance in foster placement and referral.

The Committee is concerned with the Administration proposal to close the Wahpeton, North Dakota and Concho, Oklahoma boarding schools for elementary age children at the end of this school year. Many of these children have been placed in these boarding schools for social reasons involving broken home. The determination to close these schools was made without prior planning for alternative placement and ancillary costs.

The Committee is concerned with the proposal to close the Southwest Indian Polytechnic Institute, a successful vocational training institute in Albuquerque, New Mexico, serving Indian youth throughout the southwest and elsewhere. The Committee is concerned with the proposal to transfer to the State of Alaska operational responsibility for some 37 day schools serving Alaska Native children in remote villages throughout the State without first consulting with the affected Natives or reaching consensus with the State.

The Committee is concerned with the failure of the Administration to request any funds for advance planning or construction of any new health facilities on Indian reservations or other trust areas in Alaska or Oklahoma. Nearly half of the 48 hospitals operated by the IHS were built prior to 1940 and are in serious need of major repair or replacement.

The Committee is concerned with the failure of the Administration to request any funds for advance planning or construction of any new schools. The Indian Island Day School on the Penobscot Indian Reservation in the State of Maine illustrates the severity of school construction facing Indian tribes. The original structure was built in 1900 with additions in 1925 and 1968; the school does not meet current state safety standards; it was built to accommodate 50 students but is being used by twice that number of kindergarten and elementary age children. The 5,511 square feet of space now used to teach 100 children is less space than would be used for a basketball court in a new school to meet BIA standards. With all these problems, the Penobscot Tribe's request for school construction money was ranked seventh on the BIA school construction priority list. It is fair to conclude that those ranked higher also face problems with their school facilities that are even more serious and compelling.

The Committee is concerned about the continued availability of employment in training resources for Indian programs administered by the Department of Labor. The bill sponsored by Senators Quayle, Hawkins, Hatch, Kennedy, and Pell would provide renewed authorization for a directly funded, nationally administered program, and, unlike the original administration proposal, would provide for a minimum funding formula, services to all Indian workers regardless of residence, and explicit recognition of the need to adopt employment and training resources to meet the extremely serious labor market conditions in Indian communities.

In fiscal year 1982 titles II D and VI of CETA were deleted which left only title III, Sec. 302 Indian programs. The title III Indian programs were funded for fiscal year 1982 at $89.3 million; a reduction of $63.5 million from fiscal year 1981 due to the loss of titles II D and VI. In light of the severe cut in CETA funding already absorbed by the tribes in fiscal year 1982, funding for this new CETA program should at least equal the $89.3 million allocated to Indian programs under title III in fiscal year 1982.

In fiscal year 1982, the Administration for Native Americans (ANA) at Health and Human Services was funded at $28 million. This was a reduction from the $33.8 million level of fiscal year 1980 and fiscal year 1981 and $33.0 million from fiscal year 1976 to fiscal year 1979. The Administration proposes a further reduction in funding of the Administration for Native Americans in the Department of HHS to $23,282,000, a decrease of approximately 20 percent from the fiscal year 1982 funding level and approximately 33 percent from the fiscal year 1981 funding level of $33.8 million.

Finally, the Committee is concerned with the Administration proposal to close and consolidate some twelve Area Offices of the BIA with consolidation of program specialties in scattered regional locations. Presumably, this organization will justify a reduction of $16 million in costs of BIA administration and overhead. Contrary to the promise contained in the BIA budget justification, however, a detailed plan spelling out specific adjustments in requested BIA overhead costs has not been submitted to the Congress. Therefore, Congress is unable to determine how the $16 million is to be saved. The Committee questions the cost effectiveness of this proposed reorganization.

The Committee does note two new BIA initiatives which deserve commendation. The first is the allocation of $5 million for small tribes to aid in building core administrative infrastructure to enable these tribes to perform governmental functions and assume program management. The second is the allocation of $10 million to be used in conjunction with tribal resources and private capital to stimulate economic development on Indian reservations. Both of these initiatives are long overdue and the BIA should be commended for this effort.

The recommendations of this Committee on the various proposals of the Administration with particular attention to the budget requests of the Bureau of Indian Affairs, the Indian Health Service and the office of Indian Education is set forth in the attached report.

This report does not include one new program for which it may be necessary to seek a budget waiver at a later date. On March 29, 1982, Senator Johnston, for himself and Senator Long, introduced S. 2294 to settle land claims of the Chitimacha Tribe in Louisiana. This bill would provide for establishment of a land acquisition and trust fund in the amount of $7.5 million. The bill has been referred to this Committee. It will not be possible for the Committee to consider this legislation prior to the May 15, 1982, deadline for reporting of bills providing new budget authority.

Sincerely,

WILLIAM S. COHEN, *Chairman.*

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SELECT COMMITTEE ON INDIAN AFFAIRS—REPORT ON SPENDING REQUIREMENTS

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SELECT COMMITTEE ON INDIAN AFFAIRS—REPORT ON SPENDING REQUIREMENTS

Programs	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Budget authority:					
Major program 1	$267,019,700	$283,403,000	$299,648,000	$315,852,000	$332,170,000
Major program 2	259,129,000	276,490,000	293,632,000	310,516,000	327,531,000
Major program 3	66,573,000	71,033,000	75,437,000	79,775,000	84,147,000
Major program 4	90,363,000	96,417,000	102,394,000	108,281,000	114,214,000
Major program 5	47,473,000	50,654,000	53,795,000	56,888,000	60,006,000
Major program 6	100,577,000	107,316,000	113,970,000	120,523,000	127,128,000
Major program 7	69,102,000	69,409,000	69,712,000	70,011,000	70,312,000
Major program 8	114,246,700	121,901,200	129,459,100	136,903,000	144,405,300
Major program 9	649,280,000	697,541,000	745,642,000	793,047,000	838,913,000
Major program 10	60,335,000	68,484,000	59,405,000	57,600,000	58,500,000
Major program 11	73,689,000	73,689,000	73,689,000	73,689,000	73,689,000
New programs	131,300,000	78,000,000	143,000,000	78,000,000	98,000,000
Subtotal	1,929,081,400	1,994,337,200	2,159,783,100	2,201,085,000	2,329,015,300
General reduction applied to BIA	(16,000,000)	(17,072,000)	(18,130,000)	(19,172,000)	(20,223,000)
Total budget authority	1,905,587,400	1,977,265,200	2,141,653,100	2,181,913,000	2,308,792,300
Outlays: All programs	1,774,238,000	1,939,451,000	2,100,124,000	2,150,496,000	2,270,570,000

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I. Overview

The Select Committee on Indian Affairs has primary oversight responsibility for the operations of the Bureau of Indian Affairs (BIA) in the Department of the Interior, Indian Health Service (IHS), in the Department of Health and Human Services (HHS), and the Office of Indian Education (OIEd) in the Department of Education. In addition, the Committee has oversight responsibility for operation of programs in other agencies affecting Indians.

Specifically, Senate Resolution 4, the Committee System Reorganization Amendments, charges the Select Committee as follows:

> It shall be the duty of the Select Committee to conduct a study of any and all matters pertaining to problems and opportunities of Indians, including but not limited to, Indian land management and trust responsibilities, Indian education, health, special services, and loan programs, and Indian claims against the United States.
>
> The Select Committee shall from time to time report to the Senate, by bill or otherwise, its recommendations with respect to matters referred to the Select Committee or otherwise within its jurisdiction.

In furtherance of this responsibility, the Select Committee, on February 26 and March 1, held oversight hearings on the fiscal year 1983 budget submissions of the BIA, IHS, Administration for Native Americans (ANA), Office of Indian Education, and the Indian housing program within the Department of Housing and Urban Development (HUD).

The programs administered by the BIA, IHS, the Office of Indian Education, as well as those of other Federal agencies with Indian programs are of an extremely broad scope, literally spanning the breadth of Federal, State, and local government, but with the addition of protection and management of trust resources of Indian people and Indian tribes to which the United States has a trust responsibility.

The Federal budget, as it relates to Indian programs, must be considered in the context of the unique relation that the United States maintains with the Indian tribes and the governments of Alaska Natives.

Federal policy has long recognized that Indian tribes within the boundaries of the United States are "domestic, dependent nations." As such, the Supreme Court has held that the tribes have surrendered only those powers of sovereignty which are inconsistent with their dependent status. All other governmental powers still remain. As a result, Indian tribes are not political subdivisions of the States nor are they local governments within the meaning of most State and Federal statutes. Rather, the tribes and the United States exercise a direct government-to-government relationship with one another.

In 1934, in furtherance of this policy, Congress enacted the Indian Reorganization Act (Act of June 18, 1934; 25 U.S.C. 461 et seq.) setting forth a new policy toward the Indian tribes and providing, among other things, for the political reorganization of the tribes in accordance with the terms of that Act if the tribes so chose. In 1936, the provisions of this Act were extended to the Territory of Alaska (Act of May 1, 1936; 25 U.S.C. 473a) and a separate Act with

similar provisions pertaining to tribes in Oklahoma was enacted (Act of June 26, 1936; 25 U.S.C. 501 et seq.).

In contrast with this Federal relationship, the historical relationship of Indian tribes and the States has been one of separation. Tribes are not political subdivisions of states and thus as a general rule do not receive funding assistance from state governments. In addition, in the absence of specific legislative directive, Federal pass-through monies allocated to states all too frequently are not passed through to the tribes. In examining Federal budget allocations or reductions in Indian programs, it is thus necessary to consider that: (1) tribes do not generally receive supplemental funding from state governments on the same basis as county and municipal governments; (2) that tribes for the most part do not have other sources for raising revenues that state or local governments enjoy; and (3) that there is a direct government-to-government relationship between the United States and the Indian tribes. Thus, when Federal monies for Indian programs are reduced or eliminated there is no replacement source to which the tribes can look.

A counterpart to the government-to-government relationship of the United States with the Indian tribes is the trust relationship and the obligations this imposes on the United States not only with respect to protection of trust resources but in assuring delivery of services to the Indian people at least commensurate with that delivered to our non-Indian citizens. At the reservation level, this obligation is obvious. While it is less obvious, it is just as real for off-reservation programs. During the decade of the 70's, Congress, in a number of Acts, specifically recognized the needs of Indians living in urban and rural off-reservation areas. Thus, an Indian component was included in the Comprehensive Employment and Training Act (CETA) enacted in 1973; education benefits were extended to off-reservation Indians through the Indian Education Act of 1972; health programs consisting principally of outreach and referral but also of some direct care were extended to off-reservation Indians through enactment of the Indian Health Care Improvement Act of 1976; and authorization of funding for Indian child welfare programs was provided with enactment of the Indian Child Welfare Act of 1978.

Each of these programs was enacted after extensive hearings and on the basis of ascertained need of the service population which was not being met by state or local governments. The fiscal year 1983 budget proposals would zero out off-reservation programs for Indian health and Indian child welfare; the revision of CETA will reduce the Indian component to less than one-half its funding level in fiscal year 1982; and the proposed transfer of Title IV Indian Education Programs from the Department of Education to the Bureau of Indian Affairs with the proposed cut of $20 million strongly suggests elimination of education programs for any Indian children other than those residing on or near Indian reservations, the service population currently served by the Bureau of Indian Affairs.

The Committee is concerned about these Administration proposals as well as cuts in other programs not under the authorizing jurisdiction of this Committee. The proposal to zero out the Indian Housing Program at the Department of HUD serves as a prime example. Although the Administration plans to submit an alternative plan for

delivery of housing in time for inclusion in the fiscal year 1983 appropriations, the original proposal to zero Indian housing at HUD was made in the fiscal year 1982 budget and a year later the alternative plan has not been received.

The proposal to reduce impact aid by 25 percent is another source of major concern to the Committee. Over 80 percent of all Indian children attend public schools. Impact aid is vitally important to smaller communities with large Indian student populations who reside on trust lands.

The Committee also notes that the Community Service Block Grant programs newly enacted last year and funded at $336.5 million in fiscal year 1982 is proposed to be cut by approximately 70 percent and funded at $100 million in fiscal year 1983. Both the Congress and the Administration are deserving of high marks for inclusion of Indian tribes as eligible recipients for direct funding under various block grant programs. While some revision of the funding formula may be necessary, the legislative initiative represents a major step forward. However, the proposal to cut the funding of this program will further reduce funding to the tribes.

II. Discussion of Committee Views and Estimates

A. MAJOR PROGRAM 1: OPERATION OF INDIAN PROGRAMS/INDIAN EDUCATION (SUBFUNCTION 501)

1. School operations

(*a*) *Purpose.*—Pursuant to the authority contained in the Snyder Act and the Education Amendments of 1978 (Public Law 95–561), the Bureau of Indian Affairs provides educational services and funding to members of federally recognized tribes residing on or near Indian reservations. The educational services are provided either directly or by contract at 210 elementary and secondary schools and 14 dormitories housing students enrolled in public schools. The School Operations subactivity in the BIA budget includes funding for operations of BIA-operated and contract schools (formula funding); financial support for the educational costs of handicapped Indian children who are placed in institutions; school board training for BIA and contract school boards; student transportation; educational technical support, including management information system activities; and interim formula implementation for funding of pre-kindergarten programs prior to publication of education standards to cover such programs.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for School Operations is $179,841,000. This compares to $176,106,000 appropriated in fiscal year 1982.

The fiscal year 1983 estimate presumes transfer of 37 Alaska day schools to the Alaska State School System and also presumes closure of two elementary BIA boarding schools. The two boarding schools, Wahpeton Indian School in Wahpeton, South Dakota, and Concho Indian School in Concho, Oklahoma, are the last two existing elementary boarding schools.

The Committee held an oversight hearing on the boarding school closings and the Administration witnesses indicated that the reason for closing the schools is that the closures are in keeping with the BIA policy of educating elementary age children as close to home as possible. However, the witnesses did not convince the Committee that the 427 children involved have homes to go home to or that there is a better way of meeting their needs. Most of the children are social referrals and the social services and child welfare programs are not sufficient on their home reservations to provide for their needs. In addition, it was shown at the hearing that the boarding school is the least emotionally traumatic (for the children) and the most cost-effective way of providing educational and social services to these students.

The Bureau of Indian Affairs has not planned for the orderly closing of the two schools and does not know where the students will be educated nor how their social services or residential needs will be met. The Committee is of the opinion that the schools should remain open at least one more school year for such orderly transition if it is determined that the schools should be closed. The Bureau of Indian Affairs has estimated a savings of $968,000 in this account if the two schools are closed. The Committee believes that costs for these children will show up as federal and state expenditures which far exceed this amount if the schools are closed.

The schools are funded under the Indian School Equalization formula (ISEF) for which the Administration's estimate provides $154,789,000 in fiscal year 1983. The Committee recommends that ISEF be increased to $155,757,000 in fiscal year 1983 to include funding for the Wahpeton and Concho schools.

Other components of the School Operations subactivity would receive the following amounts under the Administration's estimate: Institutionalized Handicapped—4.2 percent increase from $2,486,000 in fiscal year 1982 to $2,590,000 in fiscal year 1983; School Board Training—58.3 percent decrease from $960,000 in 1982 to $400,000 in 1983; Student Transportation—4.3 percent increase from $9,695,000 to $10,111,000; Education Technical Support—17.7 percent increase from $8,691,000 to $10,228,000; Interim Formula Implementation Funds—17.3 percent decrease from $2,083,000 to $1,723,000. The Committee is concerned that important and vital programs for handicapped youngsters, for needed training of Indian school boards to promote self-determination and participation in the decisionmaking involving education of their children, and for needed pre-kindergarten programs seem to be low priorities. Yet, the Committee sees the 17.7 percent increase in "technical support," which includes the area and agency office education administrative personnel and management information system activities. This is not the Committee's notion of funding priorities. The Committee would rather see administrative costs held to a minimum with programs which provide direct services to Indian people protected.

The Committee does not accept the Administration's fiscal year 1983 estimate for budget authority and outlays. The Committee recommends that the components of the School Operations subactivity be adjusted as follows: ISEF—$155,757,000; Institutionalized Handicapped—$3,000,000; School Board Training—$1,000,000; Student

Transportation—$10,111,000; Education Technical Support—$9,500,000; Interim Formula Implementation Funds—$2,200,000. These adjustments would increase the School Operations subactivity to $181,668,000 in budget authority for fiscal year 1983.

(*c*) *Program changes.*—The Administration has not proposed any changes in the authorizing legislation for the School Operations activity but does propose elimination of two boarding schools through elimination of funding. The Committee proposes no change in the existing program.

2. Johnson-O'Malley

(*a*) *Purposes.*—The Johnson-O'Malley Program is authorized by the Snyder Act and the Johnson-O'Malley Act (25 U.S.C. 452 *et seq.*). The program provides funding for supplemental programs for eligible Indian students in public schools, age three years through grade twelve, to meet their special and unique needs as determined by contractors and local Indian education committees. The program also provides tuition payments to those public schools which enroll students residing in Federal dormitories outside of their home school districts. The School Operations subactivity funds the dormitories.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*)—The Administration's fiscal year 1983 estimate for the Johnson-O'Malley program is $25,954,000. This is the same amount appropriated in fiscal year 1982.

The Administration's fiscal year 1983 estimate includes $25,374,000 for the supplemental program and $580,000 for tuition payments. The supplemental program will serve 168,000 students in 26 states with an estimated 900 local Indian education parent committees helping to determine needs. The JOM supplemental program for fiscal year 1983 will be administered through contracts with 240 tribal organizations, 65 public school districts, and six partial contracts with state departments of education. Contractors and Indian education committees conduct needs assessments to determine the special and unique needs of the students; and since the programs are funded to meet the needs of particular Indian communities, they may differ from area to area. JOM supplements other school, state, and Federal programs.

The Appropriations Committees in conference on H.R. 4035, the fiscal year 1982 Interior Appropriations Bill, eliminated eligibility of tribal contract schools to participate in the supplemental JOM program. The Congress in adopting the conference report adopted this restriction. The conference report (H. Rept. 97–315) indicates that a reduction of $2,900,000 in the JOM program is to remove tribally-controlled contract schools from the program because these schools are funded under the Indian school equalization formula and are also eligible to receive grants under the Department of Education's Indian Education program. The Select Committee on Indian Affairs does not agree that these schools should be be eliminated from the program. The ISEF funding for a contract school is equivalent to the operational funds provided a public school through state and local funds and impact aid. The public schools are eligible for the Department of Education's Indian Education Part A program and are eligible for JOM if the tribe opts not to run the program. As indicated

above, some 65 public schools will participate in the JOM supplemental program in fiscal year 1983. The Committee is of the opinion that contract schools should also be eligible for such funding.

The Committee does not accept the Administration's fiscal year 1983 estimate for budget authority and outlays for the JOM program. The Committee recommends that the Johnson-O'Malley subactivity be adjusted as follows: Tuition Payments—$580,000; and All Other JOM—$29,000,000. These adjustments would increase the JOM subactivity to $29,580,000 in budget authority for fiscal year 1983.

(*c*) *Program changes.*—The Administration has not proposed any changes in the authorizing legislation for the Johnson-O'Malley program. The Commitee proposes no change in the program except such outlined above to provide that tribally-controlled schools (contract schools) are eligible for JOM supplemental funds.

3. Continuing education

(*a*) *Purposes.*—Under the authority of the Snyder Act and the Tribally Controlled Community College Assistance Act of 1978 (Public Law 95-471), the Bureau of Indian Affairs assist Indian adults by providing financial assistance to students for higher education studies, by direct support of some tribally operated post-secondary institutions, by offering continuing education and adult education programs in many communities, and by operating post-secondary schools.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for Continuing Education is $50,877,000. This compares to $52,446,000 appropriated in fiscal year 1982.

The Administration's request for the Higher Education program for fiscal year 1983 is $28,357,000, a 3.6 percent increase over the $27,371,000 appropriated in fiscal year 1982. The Higher Education program is expected to provide financial assistance to 17,000 students to attend accredited post-secondary institutions. The Special Higher Education program is budgeted by the Administration $1,692,000 for fiscal year 1983, a 6.3 percent decrease under the $1,805,000 appropriated in fiscal year 1982. The Special Higher Education program provides financial assistance for another 360 students who are engaged in graduate level study. Special emphasis is placed on students pursuing professions such as law, medicine, forestry, engineering and business administration by the Special Higher Education program.

The Adult Education component of Continuing Education is budgeted by the Administration in fiscal year 1983 at $4,008,000, a 14.6 percent reduction under the $4,695,000 appropriated in fiscal year 1982. It is estimated that 17,297 Indian adults will benefit from basic courses in personal and academic skills.

The Post Secondary component provides funding to BIA-operated post secondary schools. The request for fiscal year 1983 is $6,381,000, a 21.9 percent decrease under the $8,170,000 appropriated in fiscal year 1983. The reduction reflects the proposed closure of the Southwest Indian Polytechnic Institute (SIPI) at the end of fiscal year 1982, which would result in an anticipated savings of $2,428,000. The closure would leave two BIA post secondary schools in operation.

The Committee held an oversight hearing on the closure of SIPI in conjunction with the hearing on the proposed closure of two elementary boarding schools. The hearing did not provide a convincing argument for closure. The Committee is of the opinion that SIPI provides courses which students cannot find at the two remaining BIA-operated post secondary schools nor at any of the tribally controlled community colleges. There has been little planning, if any, for an orderly closing or transfer to some private concern. In addition, the cost estimates have not been provided for necessary scholarships to other technical schools for students to continue their studies. The Committee is of the opinion that SIPI should remain open at least for one more school year so that an informed decision can be made about its disposition and any tribal or private entities which may want to take the operation over will have time for necessary planning.

The Tribally Controlled Community Colleges program, authorized under Public Law 95–471, provides operational funding and technical assistance funds for 18 community colleges. The Administration's fiscal year 1983 request is as follows: Title I Schools—$5,706,000, or $2,475 per estimated full-time equivalent student (FTE), compared to $5,879,000, or $2,812 per FTE in fiscal year 1982; Technical Assistance and Feasibility Studies—$117,800 in fiscal year 1983 compared to $574,000 in fiscal year 1982; Navajo Community College-Title II—$3,840,000 in fiscal years 1983 and 1982; and Snyder Act Supplemental (for certain schools as tribal priority funding)—$775,200 in fiscal year 1983 compared to $352,000 in 1982. The total amount for colleges of $10,493,000 for fiscal year 1983 to provide classes for an estimated 3,205 FTE's is a 2 percent reduction under the fiscal year 1982 amount for 2,884 FTE's. The tribally controlled community colleges are assets to their community and bring education opportunities to rural and isolated reservation areas where no such opportunities previously existed. In addition, the schools are resources for the community to use in building the kind of human resource pool from which to draw individuals to operate and manage tribal businesses, mineral resource development, economic development, etc., to enhance tribal self-determination and self-sufficiency. The schools rely on "471" funds to provide the operating funds to sustain them. The funding levels recommended for title I schools (currently 18 schools) and for technical assistance are totally inadequate to assure success. The Administration is proposing funding the schools to fail. An amount of $2,475 per FTE in rural isolated areas, with their attendant higher costs for any items the schools must purchase, simply is not enough.

The Committee believes that the Administration's estimates for Title I Schools and for Technical Assistance are too low. The Committee is of the opinion that Title I schools need at least $3,100 per FTE to operate effectively and that Technical Assistance should be increased to a more reasonable level.

The Committee does not accept the Administration's fiscal year 1983 estimate or budget authority and outlays for Continuing Education. The Committee recommends the following: Higher Education—$28,357,000; Special Higher Education—$1,750,000; Adult Education—$4,695,000; Post Secondary—$8,809,000 (to keep SIPI open); and Tribally Controlled Community Colleges—$12,160,000 (to be allocated

Title I—$7,145,500; Technical Assistance—$400,000; Navajo Community College—$3,840,000; and Snyder Act funding—$775,200). These adjustments would increase Continuing Education to $55,771,000 for fiscal year 1983.

(*c*) *Program changes.*—The Administration has not proposed any changes in the authorizing legislation for the Continuing Education subactivity. The Committee anticipates legislation which will amend the Tribally Controlled Community College Assistance Act to authorize appropriations for construction and renovation grants for fiscal years 1985–87 and to revise and extend the operation grants through fiscal year 1987. However, such Act is covered by the ceiling in the Omnibus Budget Reconciliation Act of 1981 which limits appropriations for BIA education activities to $276,100,000 in fiscal year 1983 and $290,400,000 in fiscal year 1984 (section 518 of Public Law 97–35), and this ceiling would not be violated by the proposed legislation. It is anticipated that the authorizations for fiscal years 1985–87 would be the same as in the current provisions of the Tribally Controlled Community College Act, which is $30,000,000 per such fiscal year for operation grants.

Comment.—The following tables provide the Committee's recommendations for fiscal year 1983 budget authority and outlays for the Operation of Indian Programs/Indian Education account (14–2100–0–1–501–00). The tables also contain such information for fiscal years 1984–87.

The Committee has provided increases in the School Operations and Continuing Education subactivities for each of the fiscal years 1983 through 1987. These subactivities provide operation funding for elementary and secondary schools and for post secondary schools, respectively. These subactivities require increases to hold them harmless against inflation. The Johnson-O'Malley subactivity, on the other hand, is a supplemental program, and the Committee has held the level of funding for fiscal years 1984–87 to the fiscal year 1983 level. Although the program should ideally be funded at levels in the out-years so as to account for inflation, the Committee is of the opinion that an effective federal effort can be mounted with the recommended budget authority.

The Committee has recommended the absolute minimum for the activities in this account for an effective federal effort. The Omnibus Budget Reconciliation Act of 1981 extended the authorizations for appropriations in the Navajo Community College Act and the Tribally Controlled Community College Assistance Act through fiscal year 1984 (Section 528 of Public Law 97–35) and imposed an appropriations ceiling on this BIA education account of $276,100,000 for fiscal year 1983 and $290,400,000 for fiscal year 1984 (section 518). The Committee has not abandoned its belief that these amounts are needed; but in the interest of restrictions in federal spending to promote economic recovery, it is this Committee's best judgment that the amounts recommended will sustain an effective, but reduced, federal effort.

As indicated above, the authorizations for appropriations for the Tribally Controlled Community College Assistance Act, title II of which is the Navajo Community College Act, will expire at the end of

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fiscal year 1984. The Committee anticipates that legislation extending such authorizations will be enacted prior to the expiration.

None of the programs contained in the BIA education account are appropriate for inclusion in the President's federalism initiative. These programs represent the federal trust responsibility for education of Indian children and adults. The Committee is of the opinion that educational services are part of the federal trust responsibility to Indians residing on or near Indian reservations and trust lands. This responsibility is not transferable to the states.

The Committee expects the results of the proposed commitment of federal resources to be improved educational services to Indian children and adults residing on or near federal Indian reservations or trust land areas. The Committee strongly recommends adoption of its projections for this account for fiscal years 1983–87.

TABLE BIA-E-1.—BUDGET AUTHORITY

[Dollar amounts in thousands]

Appropriation fund/account	1982 appropriation	Reagan 1983	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Operation of Indian programs—Education:							
School operations	$176,106	$179,841	$181,668	$194,203	$206,632	$219,030	$231,515
Johnson-O'Malley	25,954	25,954	29,580	29,580	29,580	29,580	29,580
Continuing education	52,446	50,877	55,771	59,620	63,436	67,242	71,075
Total, budget authority	254,506	256,672	267,019	283,403	299,648	315,852	332,170

TABLE BIA-E-2.—OUTLAYS

[Dollar amounts in thousands]

	1982 appropriation	Reagan 1983	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Operation of Indian program—Education	$254,440	$246,466	$254,289	$279,406	$295,684	$311,898	$328,188

B. MAJOR PROGRAM 2: INDIAN SERVICES (SUBFUNCTION 452)

1. Tribal government services

(*a*) *Purpose.*—The aid to tribal government program is divided into several miscellaneous subactivities. First, the program provides technical and financial assistance to some 499 Indian tribes and Alaska Native villages in the performance of basic governmental activities as opposed to activities involved with program management. Such activities involve development of tribal constitutions or amendments thereto, tribal codes, membership rolls, resolution of election disputes, etc. This activity contrasts with the Self-Determination program which is designed to assist the tribes in improvement of their capacity to contract and operate Federal programs under Public Law 93–638.

A second activity under this program involves historical research and development of descendancy rolls necessary for the formulation of plans or legislation to provide for the use and distribution of funds awarded Indian tribes or groups by the Indian Claims Commission or U.S. Court of Claims. A necessary part of this activity involves

consultation and public hearings to assure that such distribution plans are understood and agreed to by the tribal members. Appeals from persons aggrieved by exclusion from the distribution rolls are also processed under this activity. Additionally, staff audits claims attorney fees and expense vouchers for claims cases. For fiscal year 1983, it is estimated that 68 judgment fund per capita payment rolls will be processed; 2,700 out of a total 6,319 individual appeals will be disposed of; and 48 judgment fund plans, legislation and hearings will be completed.

This program also provides funds for community fire protection programs. The program also provides funding through a contracted program whereby tribes receive technical assistance from state land grant colleges in aspects of agriculture, animal husbandry, home extension services, and 4–H club activities.

This program is also responsible for receipt and review of petitions of tribes or groups which seek to establish a relationship with the United States and thus become eligible to participate in Federal programs along with other Federally recognized Indian tribes. This activity requires detailed historical research to assure compliance with strict criteria governing extension of recognition. Currently, there are ten petitions pending and it is anticipated that in fiscal year 1983 recognition will be extended to three of these petitioners.

(*b*) *Estimated fiscal year 1983 cost of programs as presently authorized.*—The Administration's fiscal year 1983 estimate for Aid to Tribal Government is $18,629,000, an increase of $2,014,000 over the fiscal year 1983 base.

The Select Committee has no objection to the Administration's fiscal year 1983 estimate of budget authorities and outlays for this subactivity.

(*c*) *Program changes.*—No program changes have been proposed by the Administration or by the Committee.

2. Tribal courts

(*a*) *Purpose.*—The tribal courts program pays the personnel and administrative costs of 108 tribal courts and 28 Courts of Indian Offenses (CFR courts) on reservations. Most of this activity is performed at the tribal level through contracts. The contracts allow for the full range of civil and criminal judicial services to the tribal membership. At the Area and Central Office level technical assistance is provided through review of tribal codes, development of model codes and evaluation of court systems.

In fiscal year 1981, tribal courts handled 123,000 cases. For fiscal year 1983, this figure is estimated to rise to 141,000 cases.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for the tribal court program is $7,710,000, an increase of $153,000 over the fiscal year 1983 base. This request includes $98,000 to cover additional salary cost-increases of tribal contractors as required by Sec. 106(h) of Public Law 93–638.

The funding level of the tribal court program remains constant in the face of a rising caseload and increasing responsibility of tribal courts. The Committee nevertheless poses no objection to the Administration estimate for this program for fiscal year 1983.

(c) *Program changes.*—No program changes have been proposed by the Administration or the Committee.

3. Social services—welfare assistance grants

(a) *Purpose.*—The Welfare Assistance Grants activity is divided into four components to provide: (1) general assistance grants to eligible Indians and Indian families; (2) child welfare assistance for Indian children in need of care outside their homes; (3) assistance for indigent burial services and emergency/disaster assistance needs; and (4) child welfare grants under Title II of the Indian Child Welfare Act of 1978 to Indian tribes and Indian organizations for family and child services programs.

The general assistance program provides welfare grants to tribal members living on or near a reservation, and in tribal jurisdictions in Oklahoma. Such assistance is provided only if the recipient is unable to obtain assistance from state or local welfare agencies.

The amount of assistance is determined by applying the assistance standards of the state where the recipient resides. Thus, when a state raises its standards for level of assistance, the level of assistance BIA will provide is increased. By the same token, BIA recognizes an obligation to provide 100 percent of assistance needs. In some states, the state will pay only a portion of the needs of a recipient. In such cases, the BIA will make supplemental payments to assure that all needs are met.

In fiscal year 1983, social services carried an average monthly general assistance caseload of 55,462 persons. In fiscal year 1982, this rose to 57,750 and for fiscal year 1983 it is estimated the average monthly caseload will rise to 63,932. This is an increase of approximately 6,000 recipients. At hearings before this Committee on February 26, 1982, Interior Department witnesses stated that they anticipate job losses on Indian reservations from reductions in CETA programs to run between 12,000 and 18,000 in fiscal year 1983. Loss of jobs does not have an immediate impact on the general assistance budget since the slack from loss of jobs is assumed temporarily through receipt of unemployment compensation benefits from the states. Thus, a substantial impact on the BIA general assistance budget may be expected in late fiscal year 1983 and out years.

The BIA general assistance estimate of per unit cost (i.e., the assistance provided each individual) also assumes a unit cost reduction. The justification for this assumption is that BIA is making "an intensive effort to maximize use of other assistance resources," a reference to state social service programs. The assumption that state agencies may assume a greater burden than in prior years is open to question.

The Child Welfare Assistance program provides for costs of care for children who are abandoned, neglected, or handicapped. Funding is to pay for the costs of family foster home care, small group care, or residential care in institutions if required. In fiscal year 1982, the average monthly caseload was 3,200 children and the fiscal year 1983 estimate for a monthly caseload of 3,386. The estimated cost per child per month was $299.58 in fiscal year 1982 rising to an estimated $351.94 in fiscal year 1983.

Title II of the Indian Child Welfare Act of 1978 (Public Law 95–608) provides for grants to Indian tribes and Indian organizations to establish and operate Indian child and family services such as: A system of licensing or regulating Indian foster and adoptive homes; programs for counseling to avoid breakup of Indian families; provision for temporary care and custody of Indian children in emergency situations; homemaker services; day care; afterschool care; recreational activities; employment and training of tribal court personnel specializing in juvenile or family problems; adoptive subsidies; legal representation; and other such programs. The Act contemplates that funds granted under this Act shall not supplant state contributions to child assistance programs and that the Secretary of HHS and the Secretary of the Interior should coordinate program efforts and funding in order to carry out the purposes of the Act.

Since its enactment, the Department of the Interior has funded Indian programs under this Act through a formula grant process. Eligible recipients include not only programs within Indian reservations, but also programs operated off-reservation and in urban areas. Off-reservation programs have been highly successful in such areas as Seattle, Portland, Los Angeles, Phoenix, Kansas City, Minneapolis, and Boston, as well as Haskell Indian Junior College in Lawrence, Kansas which is considered an off-reservation program.

This program has never been funded at the level necessary for program needs. The program received initial funding in fiscal year 1980 at the level of $5,500,000. In fiscal year 1981, this level was increased to $9,300,000 by terminating the BIA On-Going Child Welfare program and folding this money into the ICWA grant program. In hearings before this Committee in 1980, witnesses for the Department of the Interior testified that $15,000,000 would be necessary to properly fund the ICWA programs.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for Welfare Assistance Grants is $80,300,000, an increase of $6,092,000 over the fiscal year 1983 base. This estimate includes $72,600,000 for general assistance and child welfare assistance and $7,700,000 for Indian Child Welfare Act grants.

The Committee is concerned about the adequacy of $56,946,000 for general assistance in light of the anticipated loss of jobs on Indian reservations arising from reductions in CETA funding and the questions with respect to the capacity to shift greater responsibility onto state social services agencies. The Committee nevertheless accepts the Administration's estimate for this program for fiscal year 1983.

The Administration's estimate of $14,300,000 for child welfare reflects an increase of $2,800,000 over fiscal year 1982. The BIA justification states that the increased funding reflects an increasing unit cost per child served and an increase in caseload due to children returned to reservations as a result of the Indian Child Welfare Act. The Committee accepts the Administration's estimate for this program in fiscal year 1983 but notes that the increase in estimated caseload over fiscal year 1982 for the program is only 186 cases.

The Administration's estimate for the Indian Child Welfare Act Title II grants is a reduction of $1,900,000 from $9,600,000 appro-

priated in fiscal year 1982. The justification for this decrease in funding results from the Administration decision to discontinue provision of ICWA grants to off-reservation programs not normally within the traditional BIA service areas. The Administration's estimate will not result in any increase in funding for reservation-based programs. The Committee does not accept the Administration's fiscal year 1983 estimates for budget authority and outlays for this program. The Committee recommends that the ICWA grant program be funded at a level no less than its fiscal year 1982 level of $9,600,000 and recommends an increase in funding to $15,000,000 in order to provide adequate funding for both on-reservation and off-reservation programs. The Committee's recommended increase in ICWA grants would increase Welfare Assistance Grants to $87,600,000 in fiscal year 1983.

(*c*) *Program Changes.*—No program changes have been proposed by the Administration or this Committee for the General Assistance component or the Child Welfare Assistance component of the BIA Social Services. However, the Administration's estimate for grants under Title II of the Indian Child Welfare Act of 1978 is premised on termination of grants to off-reservation and urban programs. The savings over fiscal year 1982 program levels are less than $2,000,000. The Committee disagrees with this proposed change in the program.

4. Social services—all other social services

(*a*) *Purpose.*—This program consists of BIA staff and tribal contract staff which do the casework and administer the welfare grants provided eligible recipients under the foregoing social service programs. Approximately 50 percent of the Social Services administration subactivity is under "638" contracts with the Indian tribes. This subactivity consists of receiving assistance or grant applications, determining eligibility, computing grant amounts, periodic case review and referral of clients and applicants to other appropriate agencies.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this subactivity is $18,364,000 which is an increase of $1,855,000 over the fiscal year 1983 base. The Committee accepts the Administration's fiscal year 1983 estimate.

(*c*) *Program changes.*—No program changes have been proposed by the Administration or by the Committee.

5. Law enforcement

(*a*) *Purpose.*—The BIA law enforcement program enables the BIA and Indian tribes to provide law enforcement, investigative and detention services on recognized Indian reservations. There are 23 states with 163 reservations where BIA/tribal governments provide these services. The BIA uses 525 law enforcement positions and tribal governments employ approximately 800 full-time law enforcement personnel. Indian law enforcement personnel serve a population of about 460,000 persons and patrol about 105,000 square miles of Indian country in 862 patrol vehicles, each averaging about 24,000 miles per year. In addition, 17 local units of government are providing temporary confinement facilities without cost to Federal or tribal government.

The BIA maintains an Indian Police Academy that provided training to approximately 400 officers in fiscal year 1982. This academy offered some 18 courses that covered a 14 week program, and offers short one week courses in firearms, alcoholism, crisis intervention, management and leadership training. The program is also responsible for collection and publication of criminal justice data and for inspecting and evaluating BIA and tribally operated law enforcement and detention programs.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this subactivity is $36,041,000, an increase of $1,751,000 over the fiscal year 1983 base. In addition to these Federal funds, tribes are expected to provide another $8,600,000 of tribal funds. The funding level requested will be utilized to employ over 350 tribal law enforcement officers that were terminated by elimination of CETA funding due to reductions in fiscal year 1982.

The Committee accepts the Administration's fiscal year 1983 estimate for this subactivity but recommends that in the appropriation process costs of police patrol be segregated from general funds for BIA travel in order that normal police routine not be disturbed in the event travel freezes or other restrictions on travel are imposed on the agency.

(*c*) *Program changes.*—No program changes have been proposed by the Administration or this Committee for this program.

6. Housing

(*a*) *Purpose.*—The BIA's housing program is divided into two components: (1) the Housing Improvement Program (HIP), which pays for repairs to bring substandard housing up to proper standards, new home construction for tribal members who cannot obtain housing from other sources, and minor repairs to substandard housing which cannot be brought up to minimum standards but which can be made habitable until replaced by new housing; and (2) the Housing Development component assists tribes in working with HUD and IHS in producing Indian housing. Assistance under this component consists of site review, selection and development to facilitate provision of water, sewer, access roads, and streets as well as actual application for and scheduling of housing construction.

The primary source for delivery of housing on Indian reservations has been the HUD Indian housing program. The HIP program in BIA does not purport to supply the general housing needs of Indians on or near reservations and is limited to meeting only the most elemental needs. In fiscal year 1982, the HIP program had 900 new house starts and this figure is estimated to fall to 630 new starts in fiscal year 1983. There were 5,100 HIP renovations in fiscal year 1982 and this figure will fall to 3,580 in fiscal year 1983.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this program is $23,289,000 a decrease of more than 20 percent from the fiscal year 1983 base of $30,004,000. The Committee does not agree with Administration's estimate for this program and recommends that the program be funded at not less than the fiscal year 1983 base of $30,004,000.

(*c*) *Program change.*—The Administration does not propose any change in this program.

7. Self-determination services

(*a*) *Purpose.*—The Indian Self-Determination and Education Assistance Act (Public Law 93–638) provides authority for Indian tribes to contract with Federal agencies, particularly the BIA and IHS, for performance of services which would otherwise be performed by the contracting agency. The mission of the Self-Determination Services program is to provide grants to the tribes to enhance their governmental and management capabilities in order to increase the tribal capacity to manage such programs. In addition to the grant program, the Self-Determination Services program also provides a technical assistance component and provides contract support to provide funding for administrative costs associated with management of Federal programs. In addition, funds under this program pays costs such as severance pay and lump sum leave payments related to the displacement of Federal employees because of contracting with the tribes or Indian organizations.

Once a tribe establishes an overhead rate for contract support, it is entitled to have this rate added to the program amount of the contract it operates. This rate is established through an independent audit, usually by the Department of the Interior Inspector General's Office. There have been continuing problems associated with the adequacy of the contract support rates paid Indian tribes and this Committee anticipates oversight hearings on this issue.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this subactivity is $19,422,000 for "638" Grants (up $2,278,000 from the fiscal year 1983 base); $2,122,000 for training and technical assistance (down $761,000 from the fiscal year 1983 base); $30,338,000 for contract support (up $3,016,000 from the fiscal year 1983 base). The decrease in the technical assistance component does not include the zeroing out of the Office of Technical Assistance and Training which was funded in fiscal year 1982 at $1,981,000. Portions of this component are being transferred to the Office of Administration and are reflected as a base transfer to that activity.

The Committee does not object to the Administration's fiscal year 1983 estimate for the Self-Determination Services program but does note that oversight hearings will be held on the issue of adequacy of compensation under the contract support component.

(*c*) *Program change.*—No program changes have been proposed by the Administration or this Committee for this program.

8. Self-determination services—small tribes management initiative

(*a*) *Purpose.*—This is a new program proposed by the Administration to provide smaller Indian tribes the opportunity to acquire and maintain needed core-management capability on an on-going basis. It is estimated that there are about 200 tribes which would qualify as small tribes under the program. For tribes with less than 400 members, program funding will generally be limited to those which enter into consortia with other small tribes. It is intended that partici-

pation in the program will be limited to tribes which are willing to make a commitment to exercising their rights under P.L. 93–638 to manage Federal programs under contracts and grants and to maintain a sound core-management capability.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this subactivity is $5,000,000. This is a new program for which there is no existing base. The Committee accepts the Administration's fiscal year 1983 estimate for this subactivity.

(*c*) *Program change.*—This is a new program. The Committee concurs in the desirability of establishing this program.

9. Self-determination services—office of technical assistance and training

(*a*) *Purpose.*—The Office of Technical Assistance and Training (OTAT) component of this subactivity has in the past provided funding for maintenance of the Office of Technical Assistance and Training in Brigham City, Utah. Under the reorganization plan, the Police Academy, previously funded under this program is transferred to the Law Enforcement subactivity, and the Administrative and Accounting Service component is transferred to the Management and Administration activity as a base transfer. The decentralization of this program with phase out of the activities in Brigham City, Utah will result in a reduction of personnel costs and the abolishment of 52 positions with the BIA.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—There are no funds requested for maintenance of this program in fiscal year 1983.

(*c*) *Program change.*—The Office of Technical Assistance and Training in Brigham City, Utah, is abolished and functions transferred as an added base in other activities. The Committee has no objection to this proposal.

10. Indian services——Navajo-Hopi settlement program

(*a*) *Purpose.*—The purpose of this program is to carry out the provisions of the Act of December 22, 1974 (88 Stat. 1712) which requires the Secretary of the Interior to reduce livestock grazing in the former Navajo-Hopi Joint Use Area and to restore the range capacity of lands lying within this area. The BIA justification states that with completion of livestock reduction, fencing and construction of water projects it will be possible to put the project on a sustained yield basis which will enable funding to be reduced about 10 percent per year until the maintenance level is reached in fiscal year 1984.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's estimate for this program in fiscal year 1983 is $3,899,000, a reduction of $326,000 from the fiscal year 1983 base. This reduction is possible because of reduced contracting costs as fencing and range restoration are completed and the program emphasizes range management. The Committee accepts the Administration's estimate.

(*c*) *Program change.*—The Administration proposes no change in this program other than one of emphasis. The Committee has no objection to this change.

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TABLE BIA-OIP/ARD-IS.—BUDGET AUTHORITY

[Dollar amounts in thousands]

Appropriation fund/account	1982 appropriation	Reagan 1983	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Operation of Indian programs—Area and regional development: Indian services:							
Tribal government services—Aid to tribal governments	$16,232	$18,629	$18,629	$19,877	$21,109	$22,323	$23,546
Tribal courts	7,557	7,710	7,710	8,227	8,737	9,239	9,745
Social services:							
Welfare assistance grants	74,208	80,300	87,600	93,649	99,264	104,972	110,724
All other	16,143	18,364	18,364	19,594	20,809	22,006	23,212
Law enforcement	32,515	36,041	36,041	38,456	40,840	43,188	45,555
Housing	29,810	23,289	30,004	32,014	33,999	35,954	37,924
Self-determination services:							
Grants, T. & T.A., contract support	47,241	51,882	51,882	55,358	58,790	62,170	65,577
Small tribes management initiative		5,000	5,000	5,335	5,666	5,992	6,320
Office of Technical Assistance and Training	1,981						
Navajo-Hopi settlement program	4,178	3,899	3,899	4,160	4,418	4,672	4,928
Total, Indian services	229,865	245,114	259,129	276,490	293,632	310,516	327,531

C. MAJOR PROGRAM 3: ECONOMIC DEVELOPMENT AND EMPLOYMENT PROGRAMS (SUBFUNCTION 452)

1. Employment assistance

(*a*) *Purpose.*—This program provides vocational training in counseling or guidance, institutional training in any recognized vocation or trade, apprenticeship and on-the-job training. The period of training is for 24 months except for registered nurse training which cannot exceed 36 months. The program is available to adult Indians between the ages of 18–35 years and is designed to enable participants to obtain reasonable and satisfactory employment.

This program also provides for direct employment assistance to aid Indian individuals in obtaining job placement by assistance in costs of transportation and moving to employment locations, purchase of tools necessary for employment, and emergency assistance such as rental and utility deposits and temporary subsistence until initial paychecks are received.

The BIA justification indicates that under the Adult Vocational Training program, a total of 5,191 persons in fiscal year 1982 and an estimated 6,212 will be in training in fiscal year 1983, an increase of about 20 percent. The justification also estimates that the average cost per trainee will decline from $4,811 per trainee to $3,994, a decrease in cost per trainee of approximately 20 percent. There is no explanation for the estimate of a decrease of cost per trainee and the Committee seriously questions this assumption.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for Employment Assistance is $27,514,000. For the reasons stated, the Committee seriously questions the adequacy of the Administration's fiscal year 1983 estimate for this program and recommends that the Appropriation Committee examine the assumptions closely. However, the Committee makes no recommendations for additional funding in this report.

(c) Program change.—The Administration proposes no change in this program.

2. Indian action team

(*a*) *Purpose.*—In fiscal year 1981, the Indian Action Team program was funded at $17,827,000. The fiscal year 1982 base was $17,890,000 as submitted in the January budget. In the March budget revisions for fiscal year 1982, the Administration recommended reduction in funding level to $12,980,000. In the September budget recommendation for fiscal year 1982, the Administration proposed reduction of funds for this program to the level of $4,978,000.

In the fiscal year 1982 appropriation process, the Senate Appropriations Subcommittee for Interior and Insular Affairs zeroed out any funding for this program and distributed the funds among seven other programs: Housing, Employment Assistance, Road Maintenance, Business Enterprise Development, Agriculture, Water Resources, and Wildlife/Parks. In making this distribution, the Subcommittee rejected the Administration's September proposal and instead funded this activity at $12,323,000 before distributing the funds to these seven programs. The Conference Report reduced funding in various categories of programs and these funds are considered to have been reduced by 4 percent, leaving a fiscal year 1982 appropriation for Indian Action Team as redistributed of $11,830,000, a cut of approximately $6,000,000 or better than 30 percent.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The BIA justification for fiscal year 1983 states that the BIA gave tribes formerly operating Indian Action Team programs the opportunity to redistribute the program for other programs in fiscal year 1983. The justification states that the funds previously allocated to this program have been added to the base of other programs as dictated by tribal priorities. However, the justification does not indicate the exact programs to which these funds have been allocated and it is impossible to ascertain the amount of funding added to the base of other programs. This leaves the loss of or transfer of nearly $12,000,000 in funds for which there is no account. In the absence of such an accounting, this Committee does not accept the Administration's explanation for zero funding of this program activity.

(*c*) *Program change.*—This program was zero funded in fiscal year 1982. Neither the Administration nor this Committee recommend any program change.

3. Business enterprise development

(*a*) *Purpose.*—In fiscal year 1982, the Business Enterprise Development activity was described as an activity designed to aid tribal governments and other Indian groups in improving management systems and attracting private enterprise to Indian reservations. In the March, 1981 revisions, the Administration proposed that this activity be reduced substantially and zeroed out in fiscal year 1983.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration has not requested any funds for this program in fiscal year 1983. The Committee does not object to this proposal.

(*c*) *Program change.*—This program has been terminated.

4. Credit and financing

(*a*) *Purpose.*—This program as described in fiscal year 1983 BIA justification is to provide staff assistance to Indian tribes, organizations, individual Indians and Alaska Natives in development of their own resources through business and economic development loans under the Indian Financing Act, and to assist them in obtaining financing from other sources for the same purpose.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate from this program is $5,173,000, a decrease of $941,000 from the fiscal year 1983 base. The Central Office operations will be reduced by one position and the remainder of the reduction will come from reducing ADP service contracts, and supplies and materials at Agency and Area offices. The Committee accepts the Administration estimate.

(*c*) *Program change.*—No program changes have been proposed by the Administration or by the Committee.

5. Economic development initiatives

(*a*) *Purpose.*—This is a new Administration initiative to facilitate Indian tribal and individual entrepreneurial initiatives, create jobs, and establish profit-making Indian owned economic enterprises by providing "seed money" for the purpose of attracting further investment from the private sector in reservation economic development. The activity will be administered, monitored and evaluated by Central Office staff. BIA anticipates the $10,000,000 will be used to make about 50 grants. In addition to economic feasibility, criteria for grant selection will include financial commitment of the proposer, the degree of leverage evidenced by non-federal capital, the financial responsibility and management capability of the enterprise, the amount of employment and income generated, and separation of business management from tribal government where the applicant is a tribe.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this program is $10,000,000. The Committee accepts this estimate.

(*c*) *Program change.*—This is a new program initiated by the Administration to stimulate economic development in Indian reservations. The Committee endorses this initiative.

6. Indian arts and crafts board

(*a*) *Purpose.*—The Indian Arts and Crafts Board is composed of five Commissioners and a paid professional staff. The Board provides business and professional advice and promotion to Native American artists and craftsmen and their organizations, and, as a part of their operations operates a system of three regional museums located in reservation areas. Annual sales of Native American arts and handcrafts total several hundred million dollars, but Native American interests currently control only a small portion of this market.

To support and expand participation in this market, the Board promotes economic activities through 150 Native owned and operated craft marketing enterprises, a consumer directory of more than 100,000 consumers annually who request it, through one-person sales exhibi-

tions in the Board's museums, and through management advice to some 100 developing Native museums.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this program is $873,000, an increase of $34,000. The Committee accepts this estimate.

(*c*) *Program change.*—The Administration proposes no program change. The Committee has reported out a bill, S. 792, to promote the development of Native American culture and art, which would transfer the functions of the Indian Arts and Crafts Board and the Institute of American Indian Arts established by the Department of the Interior in 1962 to a new "Institute of Native American Culture and Arts Development". This transfer will not require any increase in the funding sought for the Indian Arts and Crafts Board under this activity.

7. Road maintenance

(*a*) *Purpose.*—This program, carried out almost entirely by Indian employees on each reservation, provides funding for maintenance of approximately 21,000 miles of roads. There are approximately 13,710 miles of earth roads, 2,840 miles of gravel roads, and 4,610 of paved roads in the BIA road system.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this program is $22,117,000, an increase of $2,122,000 over the fiscal year 1983 base. The Committee accepts this estimate.

(*c*) *Program change.*—No program change is proposed by the Administration or this Committee.

TABLE BIA–OIP/ARD–EDEP: BUDGET AUTHORITY

[Dollar amounts in thousands]

Appropriation fund/account	1982 appropriation	Reagan 1983	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Operation of Indian programs—area and regional development: Economic development and employment programs:							
Employment assistance	$27,120	$27,514	$27,514	$29,357	$31,177	$32,970	$34,777
Indian action team		896	896	956	1,015	1,073	1,132
Business enterprise development	1,344						
Credit and financing	5,970	5,173	5,173	5,520	5,862	6,199	6,539
Economic development initiatives		10,000	10,000	10,670	11,332	11,984	12,641
Indian Arts and Crafts Board	822	873	873	931	989	1,046	1,103
Road maintenance	17,628	22,117	22,117	23,599	25,062	26,503	27,955
Total, economic development and employment	52,884	66,573	66,573	71,033	75,437	79,775	84,147

D. MAJOR PROGRAM 4: NATURAL RESOURCES DEVELOPMENT (SUBFUNCTION 302)

This activity is divided into the following major elements: Natural Resources, General; Agriculture; Forestry; Water Resources; Wildlife/Parks; Fire Suppression, Minerals and Mining, and Irrigation and Power.

1. Natural resources, general

(*a*) *Purpose.*—The Natural Resources, General, provides funding for multi-discipline activities not readily identifiable with any one particular natural resource program. Activities include management and research activities at the Central, Area, and Tribe/Agency levels. Workload includes assistance in establishing policy, regulations, procedures, budget and financial planning, advice and counsel to tribes, supporting, directing and overseeing administrative matters affecting the natural resource program. Primary funding for actual program activity is reported under the other subactivities or elements.

(*b*) *Estimate fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this program is $1,018,000, a minor increase over the fiscal year 1983 base essentially intended to cover increased salary and other inflationary costs. The Committee accepts the Administration's estimate for this program.

(*c*) *Program change.*—The Administration proposes no change in this program activity.

2. Agriculture

(*a*) *Purpose.*—The basic purpose of this program is to provide technical assistance to Indian landowners or operators of trust property to assure that sound conservation practices are followed. Important conservation practices include preparation of farm plans, soil fertility requirements, range carrying capacities, irrigation scheduling, design and engineering for farm drainage systems, terraces, livestock water developments, and farm irrigation systems. Funds to construct these conservation measures are derived from BIA, USDA and private sources (lessee and/or operator). The base program also includes preparation of "farm lease convenants" and follow-up lease compliance inspections to assure that conservation practices are conducted effectively.

There are 52.3 million acres of Indian trust lands of which 42 million acres are rangelands. In 1979, leased agricultural acres (dry farm, pasture, and irrigated) totalled 4.3 million acres with rentals in excess of $41.5 million. Indian owned rangeland has a carrying capacity of over six million animal unit months of grazing. BIA range personnel administer and collect grazing fees on over 19,000 grazing permits and provide technical assistance in establishing carrying capacities and season of use based on updated range and water inventories.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this program is $22,651,000, a decrease of $720,000 from the fiscal year 1983 base. The Committee notes that the fiscal year 1983 estimate is lower than the fiscal year 1982 base of $22,865,000 set forth in the fiscal year 1982 BIA justification. It appears this saving is to be accomplished principally by a reduction of $686,000 at the Area Office level, and through the phase out of funding for the Papago Farms project which is operating at a loss due to excessively high cost associated with pumping and treatment of irrigation water. The fiscal year 1983 base for this project was $317,000.

The Committee questions the reduction of funding for the general Agricultural program, but poses no objection to the Administration's estimate at this time.

(*c*) *Program change.*—The Administration proposes no change in this program, but does propose termination of funding for the Papago Farms project.

3. Forestry and fire suppression

(*a*) *Purpose.*—The forestry program provides forest management services on 13.2 million acres of commercial and non-commercial Indian forest land. Forestry resources are located on approximately 100 reservations or properties in 24 states with a commercial forest acreage of approximately 5.7 million acres that support a total commercial volume of about 30.6 billion board feet and an annual allowable cut of 1.07 billion board feet.

The forest service program includes activities directed toward protection of forests from fire, insects, disease, and trespass; administration of timber sales contracts; reforestation programs; and inventory and survey work. The forest service program involves many labor intensive programs and contributes significantly to employment of individual Indians.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this program is $27,837,000, an increase of $1,517,000 over the fiscal year 1983 base. The Committee accepts this estimate.

(*c*) *Program change.*—The Administration proposes no change in this program.

4. Water resources

(*a*) *Purpose.*—The objectives of the Water Resources Program are: (1) to conduct technical studies on Indian reservations for the purposes of assisting tribes to obtain favorable negotiated water rights settlements and providing comprehensive guides for the orderly development of water resources; and (2) to assist Indians to conserve, develop and use their water resources with particular reference to water resources problems and uses of a special nature.

A principal activity of this program is the accomplishment of a comprehensive inventory of the resources of each reservation that needs water for their future development and development of a plan for utilization of water resources. The Department of the Interior is currently handling 30 active Indian water rights cases. Development of litigation materials is the responsibility of the Rights Protection Program, a different program activity. However, materials developed by the Water Resources Program may be used not only in litigation but also for negotiation of settlements fixing water entitlements. In 1978, the Department instituted a ten year plan to review Indian water claims. However, to date, there have been few comprehensive water resource inventories conducted on the Indian reservations.

A second principal activity under the Water Resources Program is range water development. Types of work provided by this program include development of wells, storage tanks, pipelines, ponds and deep-pit charcos, and a major part of funds for the Navajo Water Works Program. In fiscal year 1981 and fiscal year 1982, this program serviced 11 reservations in each year. For fiscal year 1983, it is estimated to serve only eight reservations.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this program is $6,508,000, a decrease of $160,000 from the fiscal year 1983 base. In light of the growth of litigation involving Indian water rights over the past decade and the increasing urgency for full evaluation of Indian water needs and uses, the Committee questions the adequacy of the Administration's estimate for this program and recommends $160,000 in additional funding for this activity to bring the Committee's recommendation to $6,668,000 for Water Resources for fiscal year 1983.

(*c*) *Program change.*—The Administration does not propose any change for this program activity.

5. Wildlife and parks

(*a*) *Purpose.*—The purpose of this program is to provide assistance, technical support, and necessary resources to develop and initiate fish and wildlife management plans. The program provides funding for tribes to responsibly enforce their regulations and to manage their respective fish and wildlife resources. In addition, the program currently provides support to 20 tribal fish hatcheries that produce and release 40 million salmon and trout annually. This directly supplements the total fishery resource and benefits both Indian and non-Indian commercial and sports fisheries.

The fish and wildlife programs are carried out through coordinated efforts with other Federal agencies and state and local governments and agencies. These coordinated efforts involve exchange of technical information and expertise, training, integration of existing programs and shared funding.

For many years, the Indian fish and wildlife programs have benefitted directly from contributions by the U.S. Fish and Wildlife Service (FWS) at the Department of the Interior. The FWS is scheduled for significant reductions in its budget and personnel and as a result of these cutbacks will not offer the Indian fish and wildlife program continued services except on a reimbursable basis.

Funds were only recently provided for implementation of the Salmon and Steelhead Enhancement Act of 1980. Those funds, $1,000,000, were provided only for operation of the Salmon and Steelhead Council which included no support at all for the tribal and intertribal agencies to carry out specific planning. There is a dire need for improvement of fish management techniques and some management breakthroughs appear imminent. However, a substantial increase in funding for research and fish management is necessary.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this program is $12,975,000 essentially the same level of funding as fiscal year 1982. The Committee notes that this estimate assumes a decrease in funding at the Tribe/Agency level and the Area level with an increase in funding in the Central Office. The Committee also notes that the funding level estimated will provide a slight increase in fishery and hatchery operations.

The Committee does not agree with the Administration's fiscal year 1983 estimate for this program and recommends an increase of $3,000,-

000 in funding with special emphasis to be given to fish management activities with the increase, particularly for tagging studies and tag recovery programs and research directed toward run identification to enhance management capabilities in the deep sea fishery as well in-stream. The increase would bring the Committee's recommendation for Wildlife & Parks to $15,975,000 for fiscal year 1983.

(*c*) *Program change.*—The Administration proposes no charge in this program. The Committee does not recommend any change in program but does recommend an enhanced effort in implementation of the program.

6. Minerals and mining

(*a*) *Purpose.*—This program provides for inventory of resources, organization of minerals information, coordination with land use planning and reclamation groups, and management and oversight, including economic analysis of leases and other contracts involving Indian mineral resources. This program shares responsibility with the U.S. Geological Survey to ascertain correct amounts and to account for royalty income and for protection of mineral resources. A new Minerals Management Services (MMS) established in the Department of the Interior as a result of the recently completed Linowes Commission Report will assume primary responsibility for collection and accounting of minerals royalty income.

In fiscal year 1980, there were over 18,000 mineral leases covering 6,183,000 acres of Indian owned lands. The functions of the Energy and Minerals Program are increasing at a rapid rate due to the increase in prices and market demand for energy producing minerals. Most of the people in the BIA Area and Agency Realty Offices have little or no formal training in mineral development.

Over this past year, this Committee has held numerous oversight hearings on problems associated with theft of oil and gas from Indian trust lands and Federal lands. There is a clear problem associated with lack of field level inspection and enforcement of mineral lease terms and an equally clear problem involving royalty collection and accounting. Further hearings are planned on the Linowes Commission proposals, particularly as they relate to Indian owned lands. At the very least, it is clear that the current level of effort with respect to Indian leases is inadequate.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's estimate for this program is $8,016,000, a minor increase of $379,000 over the fiscal year 1983 base. The Committee does not believe that this sum is adequate, but poses no objection to this figure as the program is presently operated.

(*c*) *Program change.*—The Administration proposes no change in this program. The establishment of a new Minerals Management Services (MMS) program in the Department of the Interior does not affect the operation of this BIA program. The Committee does not agree with this program as presently structured and will propose program changes with significant budgetary impact during this Congress.

7. Irrigation and power

(*a*) *Purpose.*—This program supplements water user collections on behalf of certain Indian landowners in order to properly operate and

maintain irrigation water delivery systems on 71 Indian irrigation projects. Indian irrigation projects range from those comprising over 100,000 acres down to scattered units on Indian reservations of a few acres each. BIA fully operates and maintains the 15 major projects, including those that contain both Indian and non-Indian land served by the water delivery systems.

The total actual cost of operation and maintenance of Indian irrigation systems is estimated to be $20,200,000. Of that total, $12,000,000 will be collected from the water users. All non-Indian landowners served and all lessees of Indian owned land are required to pay annual assessments covering their prorated share of full operation and maintenance costs.

Appropriated funds in the amount of $8,198,000 will cover costs for certain Indian landowners. The funding sought is for (1) Indians who are financially unable to pay their assessments (16.2 percent); (2) Indian landowners not required to pay irrigation O&M because of law or court decree (26.8 percent); (3) Indian owners of irrigated areas comprising subsistence units of the garden tract type (15.5 percent); and (4) the Navajo Indian Irrigation Project (41.5 percent). Funds for the O&M of the Navajo project are to cover costs during construction of the project.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's estimate for this program is $8,198,000, an increase of $2,182,000 over the fiscal year 1983 base. The Committee accepts this estimate.

(*c*) *Program change.*—The Administration proposes no change in this program.

TABLE BIA-NR-1.—BUDGET AUTHORITY

[Dollar amounts in thousands]

Appropriation fund/account	1982 appropriation	Reagan 1983	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Operation of Indian programs—Conservation and land management: Natural resources development:							
Natural resources, general	$891	$1,018	$1,018	$1,086	$1,153	$1,219	$1,286
Agriculture	21,143	22,651	22,651	24,169	25,667	27,143	28,630
Forestry and fire suppression	22,573	27,837	27,837	29,702	31,544	33,358	35,186
Water resources	6,663	6,508	6,668	7,115	7,556	7,990	8,428
Wildlife and parks	12,895	12,975	15,975	17,045	18,102	19,143	20,192
Minerals and mining	7,570	8,016	8,016	8,553	9,083	9,605	10,131
Irrigation and power	6,008	8,198	8,198	8,747	9,289	9,823	10,361
Total, budget authority	77,743	87,203	90,363	96,417	102,394	108,281	114,214

TABLE BIA-NR-2.—OUTLAYS

[Dollar amounts in thousands]

Appropriation fund/account	1982 appropriation	Reagan 1983	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Operation of Indian programs—Conservation and land management	$78,713	$83,700	$85,392	$91,523	$97,664	$106,389	$112,318

E. MAJOR PROGRAM 5: TRUST RESPONSIBILITIES (SUBFUNCTION 452)

1. Indian rights protection

(*a*) *Purpose.*—This subactivity is composed of two elements: (1) the Environmental Quality program, and (2) the Indian Rights Protection. The environmental quality program involves compliance with NEPA and other acts such as the National Historic and Preservation Act, Fish and Wildlife Coordination Act, and the Archeological Resources Protection Act. The program also includes coordination activities regarding cultural resources, Clean Water Act, Clean Air Act, Endangered Species Act, etc. Many of the Environmental Impact Statements reviewed or developed under this program involve mining activities on Indian reservations.

The Indian Rights Protection element of this program involves investigation and development of evidence necessary for support of litigation or settlement of legal cases involving the United States in fulfillment of its trust obligation to the Indians to protect their natural resources. The program does not undertake litigation itself but works in conjunction with the Office of the Solicitor in the Department of the Interior and ultimately with the Department of Justice. At the present time, approximately 70 lawsuits relating to Indian rights have been filed. Fifty-seven of these cases concern water rights. Of these, three are in the trial stage and 25 more may be characterized as active, priority matters. Each year, Indian tribes are involved in over 100 administrative hearings, administrative appeals or third party negotiations involving their property or sovereign rights.

The Indian Rights Protection element is broken into the following descriptive elements: Litigation Support, providing basic information relevant to litigation or settlement of legal cases involving water rights, property line disputes, rights-of-way, allotment claims, mineral entry, and title questions; Attorney Fees, under which funds are paid to Indian tribes for employment of private counsel in cases in which the United States has a conflict of interest or is otherwise unable to represent the tribes; Unresolved Indian Rights Issue, which involves identification of rights issues; Hunting and Fishing Rights, in which the program provides information necessary to determine the extent of treaty hunting and fishing rights; Statute of Limitations, which involves identification and screening of claims which may be barred by the Federal statute of limitations at the end of 1982. Funding for these programs is distributed as follows: Litigation Support ($1,762,000); Attorney Fees ($750,000); Unresolved Indian Rights, Issues ($630,000); Hunting and Fishing Rights ($1,658,000); Statute of Limitations ($2,000,000). The remainder of the funds sought are for administration for Alaskan Lands Act activity.

Non-litigation related activities under this program involve Alaska Native Claims Settlement Act (ANCSA) site surveys and certain rights protection activities in the State of Alaska.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's estimate for Indian Rights Protection is $18,248,000, a decrease in funding from the fiscal year 1982 appropria-

tion of $268,000. The Committee does not accept this estimate. According to the justification, the number of lawsuits involving Indian rights are increasing. This is partially due to State enactment of water codes triggering litigation either by the States or the tribes to clarify rights; continued controversy involving hunting and fishing rights; and statute of limitation claims requiring immediate attention. The Committee recommends that funding for this subactivity be increased to at least the same funding level as fiscal year 1982, which is $18;516,000.

(*c*) *Program change.*—The Administration proposes no change in this program.

2. Real estate/financial trust

(*a*) *Purpose.*—This subactivity is divided into three basic components: (1) Trust Services, General; (2) Real Estate Services; and (3) Financial Trust Services.

The Trust Services, General element funds the management and administrative activity of the Trust Division at Central Office and Area Offices with some limited funding at the Tribal/Agency level. Funding for this element is reduced slightly from the fiscal year 1982 level to $995,000, with the major cut coming from Area Office funding.

The Real Estate Services will account for $24,360,000 of the total $28,957,000 sought for Real Estate/Financial Trust subactivity. Trust land leasing activities are a major part of the real estate program. Lease compliance monitoring of some 13,900 leases involving oil and gas, mining, agriculture, and rights-of-way is also a major element of this program. Maintenance of land records continues to be a growing problem because of fractionated ownership of Indian trust lands. There are over 200,000 tracts of trust land with an average tract ownership of ten undivided interest owners in allotted tracts, many with segregrated surface and sub-surface ownership. There are over 2,000,000 separate undivided interests to monitor.

The BIA justification notes that business and energy-related leases will involve auditing of corporate books by professional personnel. BIA intends to contract these services rather than hiring new personnel.

The third major element of the Real Estate/Financial Trust subactivity is Financial Trust Services. This element will account for $3,602,000 of the total funds sought for this activity in fiscal year 1983. This activity includes accounting for and disbursing of tribal and individual Indian monies deriving from the sale or lease of tribal resources such as land, timber, minerals and water; disbursement of per capita payments, judgments, awards and claims; and investing of various revenues so as to maximize returns while insuring 100 percent protection to the funds. Monies from the "Individual Indian Monies (IIM)" account, the "Indian Monies, Proceeds of Labor" account (IMPL) and contributed funds are invested on a "pool" basis. In fiscal year 1981, the Financial Trust program serviced some 267 tribes and 240,000 IIM accounts for a total investment of $1.4 billion with earnings of $191.2 million.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for operation of the Real Estate/Financial Trust subactivity is $28,957,000, a slight

increase over the fiscal year 1983 base. The Committee does not object to this estimate.

(*c*) *Program change.*—The Administration does not propose any change in this program.

TABLE BIA-OIP/ARD-TR.—BUDGET AUTHORITY

[Dollar amounts in thousands]

Appropriation fund/account	1982 appropriation	Reagan 1983	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Operation of Indian programs—Area and regional development: Trust responsibilities:							
Indian rights protection	$18,516	$18,248	$18,516	$19,757	$20,982	$22,188	$23,404
Real estate/financial trust	27,350	28,957	28,957	30,897	32,813	34,700	36,602
Total, trust responsibilities	45,866	47,205	47,473	50,654	53,795	56,888	60,006

F. MAJOR PROGRAM 6: FACILITIES MANAGEMENT (SUBFUNCTION 452)

1. Facilities management

(*a*) *Purpose.*—This activity consists of two elements: (1) GSA rental of facilities, and (2) Operation and maintenance of BIA facilities including previously private schools.

The BIA justification seeks funding for GSA rental element at $8,000,000, the same level as the fiscal year 1982 appropriation. The justification states that no new space is requested for fiscal year 1983 and further states that if rental rates increase over fiscal year 1982, these additional costs will be absorbed within user programs or space levels will be reduced.

For the Facilities Operations and Management of BIA facilities and previously private schools, the Administration seeks $85,381,000, an increase of $8,308,000 over the fiscal year 1983 base. This figure assumes closure of two boarding schools for elementary age children, Concho School in Oklahoma and Wahpeton School in North Dakota, by the end of fiscal year 1982, and closure of Mt. Edgecumbe boarding school in Alaska in June of 1983. It also assumes savings of $248,000 for elimination of space used by the Office of Technical Assistance and Training (OTAT) at Intermountain School in Utah. Finally, it assumes that some 37 day schools operated in Alaska will be transferred to the State of Alaska in fiscal year 1983 at a savings of $3,796,000 in facilities operations alone. Total savings to be realized by these closures is $4,608,000. The Committee objects to the closure of the boarding schools and the State of Alaska has not agreed to accept transfer of the 37 day schools. The Committee, therefore, rejects the proposed savings assumed in the Administration request.

In addition, the Committee notes that the cost of utilities have been rising at a rate of 15 percent per year. The Committee is informed that in the past year previously private schools have not received sufficient funds to meet utility needs and in fact have had to pay as much as one-half the utility costs out of their program funds.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for Facilities

Management is $93,381,000, an increase of $8,308,000 over the fiscal year 1983 base. The Committee rejects this estimate and recommends that (1) funds for GSA rentals be increased to a level commensurate with the probable increase in GSA rental rates anticipated in fiscal year 1983; (2) that for the reasons set forth above the funds for Facilities Operations and Management be increased by $4,608,000 for continued operation of the 37 Alaska day schools, the Concho and Wahpeton Elementary boarding schools, the Mt. Edgecumbe boarding school, and no reduction in Intermountain School; and (3) that $2,000,000 be added on for the specific purpose of assuring that the utility costs of previously private schools are fully paid without necessity of dipping into program funds. The increases recommended by the Committee would bring Facilities Management to a level of $100,577,000 for fiscal year 1983.

(*c*) *Program change.*—The Administration proposes closure of the Concho and Wahpeton elementary boarding schools and the Mt. Edgecumbe boarding schools in Alaska as well as the transfer of some 37 day schools in Alaska to the State of Alaska. The State has not agreed to this transfer and the Committee objects to the closure of the Concho, Wahpeton, and Mt. Edgecumbe boarding schools.

TABLE BIA-OIP/ARD-FM.—BUDGET AUTHORITY

[Dollar amounts in thousands]

Appropriation fund/account	1982 appropriation	Reagan 1983	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Operation of Indian programs—Area and regional development: Facilities management	$83,380	$93,381	$100,577	$107,316	$113,970	$120,523	$127,128

G. MAJOR PROGRAM 7: GENERAL ADMINISTRATION (SUBFUNCTION 452)

1. Management and administration

(*a*) *Purpose.*—The Executive Direction and EEO function requires administrative and programmatic decisions and actions covering all aspects of BIA operations in carrying out specific policies, goals, and objectives as identified by the Administration, Department of the Interior, and the Bureau of Indian Affairs. In fiscal year 1982, the salary and costs of the Assistant Secretary and his immediate staff were carried on the account of the Office of the Secretary. For fiscal year 1983, this function is shifted to the BIA budget with a transfer in base authority of $700,000. The fiscal year 1983 estimate for this activity is $10,769,000, an increase of approximately 10 percent.

The Administrative Services component of this activity includes management of general administration, personnel, property, procurement, records, mail, organization, budget and finance. The BIA justification states that administrative activity has increased in some functions due to implementation of Public Law 93–638 (Indian Self-Determination and Education Assistance Act) and Public Law 95–561 (the Education Amendments of 1978) increasing the number of grants and contracts and requiring alteration of personnel systems to accommodate the requirements of Public Law 95–561. The justification

also notes, however, that these new laws will eventually result in a reduction of the level or complexity of workload as the tribes become more proficient in operating programs. Funding for this activity is estimated for fiscal year 1983 at $40,756,000.

In addition to the above activities, the Management and Administration program funds the Automated Data Processing system and the safety management program required by the Occupational Saftey and Health Act of 1970.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for these programs is $56,698,000, an increase of $4,459,000 over the fiscal year 1983 base. The Committee notes that this request assumes increases in administration at the Central Office, Area Offices and the Tribe/Agency level. BIA has been directed to cut overhead and administrative costs by $16,000,000. While this cut does not appear to be limited exclusively to this program activity, the BIA is committed to staff and funding reductions at the Area Offices and the Central Office. A major reorganization effort is planned which may lead to closure and consolidation of some Area Offices. The contours of the reorganization effort are in question and this Committee has requested a GAO investigation and report before these plans are implemented.

This Committee is concerned that the reorganization plan has not been properly developed, that some of the proposed closures do not appear appropriate, and that there has been no consultation with tribes to ascertain the impact such reorganization will have on their administrative or program capacities. The Committee believes the reorganization effort is premature and is being forced by the proposed $16,000,000 cut.

While the Committee does not agree with the current reorganization plan, nevertheless the Committee does not object to the Administration's fiscal year 1983 estimate for this program as submitted and recommends that funds be appropriated at the level requested.

(*c*) *Program changes.*—The Administration does not propose any change in program but does propose a major administrative reorganization. The Committee does not agree with the reorganization as proposed.

2. Employee compensation payments

(*a*) *Purpose.*—The Federal Employee's Compensation Act provides compensation for disability or death and full medical care for civilian officers and employees of the U.S. Government who suffer injuries or occupational illnesses in the performance of their duties. This program provides reimbursement to the Department of Labor for fiscal year 1981 charges to the Employee's Compensation Fund.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this program is $4,582,000. The Committee accepts this estimate.

(*c*) *Program change.*—The Administration does not propose any change in this program.

3. Program management

(*a*) *Purpose.*—This program provides Construction Management, Road Construction Management, and Education Program Manage-

ment. The Construction Management Program provides management engineering, architectural and related technical contractual services for the design and construction of new facilities and the major repair, rehabilitation, and improvement of existing buildings and utilities. The fiscal year 1983 estimate for this program is $4,075,000.

The Road Construction Management Program provides personal services, equipment, travel, management project quality control reviews, road inventory studies, and technical assistance related to road maintenance. The fiscal year 1983 estimate for this program is $1,296,000.

The Education Program Management provides administration to the BIA Indian education programs. The Central Office Director through a subordinate staff provides line direction and management of all Operation of Indian Education Program functions including policy and procedure formulation; program supervision, personnel supervision. The fiscal year 1983 estimate for this program is $2,451,000.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—Estimated fiscal year 1983 estimate for the Construction Management, Road Construction Management, and Education Program Management is $7,822,000. The Committee does not object to this estimate.

(*c*) *Program change.*—The Administration does not propose any change in this program.

TABLE BIA-OIP/ARD-GA.—BUDGET AUTHORITY

[Dollar amounts in thousands]

Appropriation fund/account	1982 appropriation	Reagan 1983	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Operation of Indian programs—Area and regional development: General administration:							
Management and administration	$49,465	$56,698	$56,698	$56,698	$56,698	$56,698	$56,698
Employee compensation payments	4,161	4,582	4,582	4,889	5,192	5,491	5,792
Program management	4,350	7,822	7,822	7,822	7,822	7,822	7,822
Total, general administration	57,976	69,102	69,102	69,409	69,712	70,011	70,312

TABLE BIA-OIP/ARD-1.—BUDGET AUTHORITY

[Dollar amounts in thousands]

Appropriation fund/account	1982 appropriation	Reagan 1983	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Operation of Indian programs—Area and regional development:							
Indian services	$229,865	$245,114	$259,129	$276,490	$293,632	$310,516	$327,531
Economic development and employment programs	52,884	66,573	66,573	71,033	75,437	79,775	84,147
Trust responsibilities	45,866	47,205	47,473	50,654	53,795	56,888	60,006
Facilities management	83,380	93,381	100,577	107,316	113,970	120,523	127,128
General administration	57,976	60,102	69,102	69,409	69,712	70,011	70,312
General overhead cost reduction (all operations of Indian programs)		(16,000)	(16,000)	(17,072)	(18,130)	(19,172)	(20,223)
Total, budget authority	469,971	505,375	526,854	557,830	588,416	618,541	648,901

TABLE BIA-OIP/ARD-2.—OUTLAYS

[Dollar amounts in thousands]

	1982 appropriation	Reagan 1983	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Operation of Indian programs—Area and regional development	$469,840	$489,218	$505,342	$551,157	$580,574	$607,332	$637,688

H. MAJOR PROGRAM 8: CONSTRUCTION (SUBFUNCTION 452)

1. Buildings and utilities

(*a*) *Purpose.*—This program provides for the construction, renovation or repair of BIA schools and other BIA non-education facilities. BIA construction priorities are first directed to repair of facilities with life or health endangering deficiencies, second, replacement of obsolete facilities through new construction, and third, advance planning and design to facilitate future construction needs. A 1979 facility inventory indicated a general deterioration of facilities. For fiscal year 1983, the BIA has identified a back log of about $400,000,000 in total facility improvement and repair costs, and about $150,000,000 in total replacements.

The BIA justification states that it is the responsibility of the BIA to provide adequate and safe educational facilities to eligible communities. The Administration has not sought any funds for advance school construction planning and design for fiscal year 1983 and requests construction funding of $15,000,000 only for the construction of the academic portion of the Hopi Jr.-Sr. High School in fiscal year 1983. This facility is number one on the BIA school priority list.

The Committee notes that monies were previously appropriated for planning and design of the Laguna Jr. High School in New Mexico, Little Eagle Day School in South Dakota, and San Simon Day School in Arizona. Designs for the Laguna and Little Eagle Schools will be complete by June, 1982 and designs for San Simon are scheduled for completion by September, 1982. Laguna, Little Eagle and San Simon are listed as number 2, 4, and 5 on the BIA school construction priority list.

The Black Mesa Day School in Arizona, Beatrice Rafferty Day School in Maine, and Indian Island Day School in Maine are listed number 3, 6, and 7 on the BIA school construction priority list.

The Committee does not believe that the school construction should be indefinitely postponed. No funds for school construction were requested in fiscal year 1982.

(*b*) *Estimated Fiscal Year 1983 Cost of Program As Presently Authorized.*—The Administration's fiscal year 1983 estimate for this program is $60,100,000. Of this sum, $45.100,000 is allocated to facility improvement and repair and $15,000,000 is allocated to construction of the academic portion of the Hopi Jr.-Sr. High School.

The Committee does not accept the Administration's fiscal year 1983

estimate for this program. The Committee recommends the following increases in the Administration's request:

Laguna Junior High School:	
Construction	$3,200,000
Supervision and contingencies	446,000
	3,646,000
Little Eagle Day School:	
Construction	2,475,000
Supervision and contingencies	256,300
	2,731,300
Black Mesa Day School: Planning and design	180,000
Beatrice Rafferty Day School: Planning and design	155,000
Indian Island Day School: Planning and design	274,400
Total	6,986,700

(*c*) *Program change.*—The Administration does not propose any change in this program.

2. Irrigation systems

(*a*) *Purpose.*—This program involves the construction of new irrigation systems and extension and/or rehabilitation of existing irrigation systems. The goal is to develop water supplies and distribution systems to irrigate all practicably irrigable acreage of Indian lands and provide a means by which Indians can put to beneficial use much of their water entitlement.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this program is $16,100,000. This is a decrease of $40,092,000 from fiscal year 1982. However, the BIA justification states that the Administration will seek additional funding for the Ak Chin project in the amount of $29,800,000. This will require new authorizing legislation. The Committee accepts the Administration's estimate for this program with the understanding that this figure will be increased by the amount necessary to complete the Ak Chin project.

(*c*) *Program change.*—The Administration does not propose any change in this program.

3. Road construction

(*a*) *Purpose.*—The purpose of this program is to upgrade and improve 27,000 miles of public roads and 750 bridges serving Indian reservations. In past years, funds have not been made specifically available for bridge rehabilitation and reconstruction. The program, funded through the Highway Trust Fund, excludes Federal bridges unless they are assigned a priority by a state. Historically, states have been reluctant to assume responsibility for Indian or Federal roads and will be more so with secondary highway responsibilities now devolving upon the local jurisdiction.

The BIA is obligated to provide all-weather access roads to HUD multi-unit housing projects on Indian reservations. The proposed program targets projects necessary to correct major bridge safety problems and to coordinate with HUD housing construction programs.

Seventeen percent of project funds are proposed for these projects and 83 percent for tribal priority projects.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for this program is $43,585,000, a decrease of $3,575,000. The BIA justification states that the present program level provides less funding than is required to replace roads and bridges as they wear out or become obsolete. In light of this, the Committee does not accept the Administration's estimate for fiscal year 1983 and recommends restoration of $3,575,000 to fund the program at its fiscal year 1982 level of $47,160,000.

(*c*) *Program change.*—The Administration does not propose any change in this program.

TABLE BIA-OIP/ARD-C-1.—BUDGET AUTHORITY

[Dollar amounts in thousands]

Appropriation fund/account	1982 appropriation	Reagan 1983	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Operation of Indian programs—Area and regional development: Construction.							
Buildings and utilities	$47,436	$60,100	$67,086.7	$71,581.5	$76,019.6	$80,390.7	$84,796.1
Irrigation systems	46,192	16,100	47,160.0	50,319.7	53,439.5	56,512.3	59,609.2
Total, budget authority	93,628	76,200	114,246.7	121,901.2	129,459.1	136,903.0	144,405.3

TABLE BIA-OIP/ARD-C-2.—OUTLAYS

[Dollar amounts in thousands]

	1982 appropriation	Reagan 1983	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Operation of Indian programs—Area and regional development: Construction	$78,500	$76,834	$78,741	$101,664	$116,388	$115,617	$131,000

I. MAJOR PROGRAM 9: INDIAN HEALTH SERVICES (SUBFUNCTION 551)

1. Clinical services

(*a*) *Purposes.*—The Indian Health Service (IHS) within the Public Health Service of the Department of Health and Human Services provides, either directly or by contract with tribes or private providers, comprehensive health services to approximately 883,000 Indian people and Alaska Natives on or near federal Indian reservations and trust areas in Oklahoma and Alaska. The Clinical Services budget activity is a major component of the IHS and tribal health services delivery systems. Clinical Services includes hospital inpatient care, ambulatory patient care, dental care, mental health, eye care, model diabetes program, alcoholism, emergency medical services, Alaska Native community health aide program, tribal health program support, maintenance and repair, laboratory services, and radiology services.

The IHS health delivery system includes the operation of 48 hospitals, 98 health centers, and over 300 smaller health stations and satellite clinics. The tribal health delivery system, through contractual

arrangements with Indian Health Service, includes four hospitals and 272 health clinics. The IHS and tribal health delivery systems together with private providers under contract are the primary health care resources for the 883,000 service population.

Although appropriations earmarked specifically for health services to Indians began in 1911, the formal legislative authority was provided in 1921 with the passage of the Snyder Act. This Act authorized the Secretary of the Interior to expend funds for the "relief of distress and conservation of the health of Indians". This phrase of the Snyder Act continues to be the basic legislative statement of the Federal Government's commitment to provide health services to Indians. The Indian Health Service grew out of the Division of Indian Health to which was transferred the responsibility for health services for Indians from the Department of the Interior under a law passed in 1954.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for Clinical Services is $529,590,000. This compares to $481,187,000 appropriated in fiscal year 1982.

The major subactivity under Clinical Services is the Hospital and Health Clinic Program. The request of $342,612,000 is a $34,292,000 increase over the amount available in fiscal year 1982, or an 11.1 percent increase. It is estimated that the average daily patient census will increase in fiscal year 1983 some 2.4 percent over fiscal year 1982; admissions will increase 2.4 percent; average length of stay will remain the same at 5.3 days; births will increase 2.6 percent; and outpatient visits will increase 2.7 percent. The increase includes $27,492,000 to fund mandatory cost increases reflecting the impact of inflation on the program such as increased pay costs, increased cost of supplies and utilities, etc. In addition, a program increase of $2,800,000 to staff the new Chinle Comprehensive Health Care Facility is required as the facility will become operational in fiscal year 1983. An increase of $4 million is shown in the Equity Health Care Fund budget, for a total of $19,492,000. The Equity Health Care Fund was established as an interim measure in response to a court case until the IHS reallocated its resources. The Indian Health Service has not done such reallocation and continues to increase the amounts in the Equity Fund rather than allocate the IHS base to tribes nationwide. The Committee has some concern over this practice.

Other subactivities under Clinical Services received the following increases: Dental Services—11.2 percent increase from $17,884,000 in fiscal year 1982 to $19,880,000 in fiscal year 1983 (however, mandatory cost increases of $1,891,000 reduce the actual program increase to $105,000 or .59 percent); Mental Health—6.9 percent increase from $7,488,000 in fiscal year 1982 to $8,077,000 in fiscal year 1983; Alcoholism—24 percent increase from $16,290,000 in fiscal year 1982 to $20,207,000 in fiscal year 1983; and Maintenance and Repair stayed at the fiscal year 1982 level of $8,267,000. It should be noted that the increase in Alcoholism will allow the transfer to IHS of an additional 19 projects from the National Institute on Alcohol Abuse and Alcoholism (NIAAA) which have been funded for the last six years by NIAAA and does not represent an actual increase in the program.

The Indian Health Service has requested $130,547,000 for fiscal year 1983 for Contract Care, an increase from the $122,938,000 in fiscal year 1982. These funds are used for the purchase of medical care services from non-IHS or non-tribal providers (predominantly the private sector). Although private provider health costs were said to have increased some 15 percent from fiscal year 1981 to fiscal year 1982 and one could deduce from the economic climate that the rate of increase in health costs would not diminish between fiscal year 1982 and fiscal year 1983, the increase in the Contract Care budget is only a 6.2 percent increase. The agency always runs short of Contract Care funds every year and fiscal year 1983 is not likely to be an exception.

Although the Committee is concerned with the issue raised above with respect to the Equity Health Care Fund and is also concerned with the adequacy of the Contract Care request, the Select Committee on Indian Affairs accepts the Administration's fiscal year 1983 estimate of budget authority and outlays.

(*c*) *Program changes.*—No program changes have been proposed by the Administration or by the Committee.

2. Preventive health

(*a*) *Purposes.*—The Preventive Health activities of the Indian Health Service concentrate on the prevention of diseases and accidents through four subactivities.

The Sanitation subactivity provides environmental health professional and allied health personnel to assist Indian tribes and individuals in avoiding accidents, diseases, and injuries caused by environmental hazards and to provide technical assistance in operating and maintaining essential water and sewage disposal facilities.

The Public Health Nursing subactivity provides personnel to integrate nursing practice with public health practice to promote and preserve the health of the service population. Public health nurses provide therapeutic services, counseling, education, coordination, and advocacy activities. The Health Education subactivity promotes the goal of IHS to assist the Indian people to adopt health-promoting lifestyles; wisely select and use health care resources, products and services; and influence policy and planning on health care issues and larger environmental matters that affect health.

The Community Health Representative (CHR) subactivity provides, through contractual arrangements with tribes, health care services ranging from critical emergency health care to curative and preventive care. The tribal governments make decisions regarding the types of personnel and services that most effectively meet the health care needs and priorities in the communities and provide such services and personnel through the CHR Program.

(*b*) *Estimated fiscal year 1983 cost of programs as presently authorized.*—The Administration's fiscal year 1983 estimate for Preventive Health is $25,748,000. This compares to $53,053,000 appropriated in fiscal year 1982, a 51.2 percent decrease.

The following subactivities received the indicated budget increases: Sanitation—7.4 percent increase from $14,090,000 in fiscal year 1982 to $15,131,000 in fiscal year 1983; Public Health Nursing—4.5 percent increase from $7,969,000 in fiscal year 1982 to $8,324,000

in fiscal year 1983; and Health Education—4.5 percent increases from $2,194,000 in fiscal year 1982 to $2,293,000 in fiscal year 1983. However, all of these budget increases in Preventive Health subactivities are eaten up in mandatory increases which reflect the impact of inflation on the programs and which include such items as pay costs, increased costs of supplies, etc. Each of these subactivities actually take a program reduction as follows: Sanitation—3 percent reduction; Public Health Nursing—3 percent reduction; Health Education—4 percent reduction.

The Administration's estimate calls for the elimination of the CHR program. The Congress appropriated $28,800,000 for fiscal year 1982. The justification behind the decision to eliminate the program appears to be an effort to focus IHS budgetary resources on maintaining key inpatient and outpatient medical care services. However, during hearings on the fiscal year 1982 budget, IHS stated that CHR provision of direct health care services was a critical element of the health care delivery team on many remote reservations. There is nothing to take the place of this program and such a void will result in serious gaps in the linkages between the Indian Health Service clinical programs and the Indian communities for which they were established to serve.

The Committee does not accept the Administration's fiscal year 1983 estimates for budget authority and outlays. The Committee recommends that the CHR Program be restored to its fiscal year 1982 level of $28,000,000 and that the Preventive Health activity be increased by such amount to $54,548,000 in budget authority for fiscal year 1983.

(*c*) *Program changes.*—The Administration has not proposed any changes in the authorizing legislation for the Preventive Health activity but does propose elimination of the Community Health Representative Program through elimination of funding. The Committee proposes no change in the program.

3. Urban health programs

(*a*) *Purposes.*—The Urban Indian Health Program was established pursuant to title V of the Indian Health Care Improvement Act (Public Law 94–437 as amended by Public Law 96–537) to assist Indians in urban settings who had difficulty in gaining access to those health services that are available to the population at large. The program provides outreach and referral services and, in some instances, direct out-patient care, to Indians in 41 cities. There are 17 urban projects which provide limited direct health care services in addition to outreach services. Five other projects provide a comprehensive range of health care services. These services reach a population of 300,000 Indians and Alaska Native people.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for Urban Health is zero. This compares to $8,160,000 appropriated in fiscal year 1982.

The justification for the elimination of the program is that it "has fulfilled its purpose by providing a demonstration of the value of providing health and referral services for urban Indians in many circumstances" and that "these services may now be funded, as needed,

through the Department's health block grants, or other services." It should be realized that if Indians in the cities do not have urban clinics to provide health services, many of them will return to tribal and IHS-operated clinics and hospitals for such services and will overtax the already austere and overburdened programs. In addition, the three health block grants do not provide for the direct funding of off-reservation Indian health projects and these clinics would have to rely on the states to provide funds from the state portions of the block grants. The Urban Program was begun because the states and cities did not provide assistance to urban Indians. We cannot expect them to begin to do so now from a reduced federal health contribution through the block grants. The Indian Health Care Improvement Act (Public Law 94–437 as amended by Public Law 96–537) provides an authorization for appropriations of $24,725,000 for the Urban Program for fiscal year 1983.

The Committee does not accept the Administration's fiscal year 1983 estimates for budget authority and outlays for this program. The Committee recommends that the Urban Health Program be restored to its fiscal year 1982 level of $8,160,000 in budget authority for fiscal year 1983.

(*c*) *Program changes.*—The Administration has not proposed repeal of title V of the Indian Health Care Improvement Act, the authorizing legislation for the Urban Health Program, but has proposed its elimination through elimination of funding. The Committee proposes no change in the program.

4. Indian health manpower

(*a*) *Purposes.*—The Indian Health Manpower Program is authorized by title I of the Indian Health Care Improvement Act, as amended, and provides scholarships and recruitment programs for Indians pursuing health careers. The program was prompted by the chronic inadequacy in on-reservation health care that stemmed from the constant changes in non-Indian health personnel. By training Indians themselves in health care, it was considered likely that a group of health professionals would be formed who would be willing to live on or near the reservations permanently and give greater stability to the reservation health care services.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for Indian Health Manpower is $4,044,000. This compares to $5,760,000 appropriated in fiscal year 1982.

The description of this 29.8 percent reduction under the fiscal year 1982 appropriation is that "the fiscal year 1983 request will support the planned phase out of the program" and that it will "provide for the continuation of scholarships funded in fiscal year 1982 through the completion of the degree that the student is presently pursuing." The justification provides no explanation of why the program is being phased out and does not provide suggestions for other scholarship programs which are available. The Committee determined last year in its budget oversight hearings that there is still a critical shortage of Indian health care professionals and that there are no other programs available to take the types of students who have utilized the Indian Health Manpower Program.

The Committee does not accept the Administration's fiscal year 1983 estimates for budget authority and outlays for this program. The Committee also does not accept the phasing out of the program. The Committee recommends that the Indian Health Manpower Program be restored to its fiscal year 1982 level of $5,760,000 in budget authority for fiscal year 1983.

(*c*) *Program changes.*—The Administration has not proposed any changes in the authorizing legislation for the Indian Health Manpower Program but does propose its phase out through reduction in funding. The Committee proposes no change in the program.

6. Tribal management

(*a*) *Purposes.*—The Tribal Management activity provides funds to develop tribal management capabilities and tribal leader/employee training. The Indian Self-Determination and Education Assistance Act (Public Law 93–638) authorized the Indian Health Service to enter into contracts with tribes to operate their own health programs formerly operated by IHS. The success of tribal health services delivery has largely resulted from the ability of IHS to fund contracts with tribal groups to develop necessary tribal management capabilities. Funds currently are provided to tribes desiring to launch into new functions.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for Tribal Management is $2,634,000. This is the same amount as appropriated in fiscal year 1982.

Although this budget activity has been used in the past to fund indirect costs in initial "638" contracts with tribes and it has been reported to the Committee that IHS is now unable to pay the full amount recoverable under the indirect cost rates of some tribes, the Committee accepts the Administration's fiscal year 1983 estimate of budget authority and outlays. The Committee will further study the indirect cost problem.

(*c*) *Program changes.*—No program changes have been proposed by the Administration or by the Committee.

6. Program management

(*a*) *Purposes.*—The Program Management activity provides funding for the administrative and management structure of the Indian Health Service. The management consists of Headquarters and Area Office operations. Headquarters operation has two major components—program direction and administrative management services. Headquarters provides program direction by establishing goals, objectives, policies and priorities in pursuit of the IHS mission. IHS has 12 Area and Program Offices strategically located throughout the country. The Area Offices provide program direction and administrative support to each of the hospitals, health centers and health clinics. Activities also include monitoring of contracts and grants, technical assistance, and training for tribes and tribal organizations.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for Program Management is $51,264,000. This compares to $48,851,000 appropriated in fiscal year 1982.

Although the budget amount increases, it reflects the impact of inflation including increased pay costs and within-grade promotions of

personnel to result in an actual program decrease of $1,163,000, or a 2.4 percent decrease. Many of the programs which are contracted by tribes and tribal organizations received larger percentage decreases than this activity. The Indian Health Service must reduce administrative costs. The Committee recognizes the inability of IHS to contain some of its costs associated directly with patient care, but its administrative costs must be contained. The Committee does not accept the Administration's estimate for budget authority and outlays for fiscal year 1983 for this activity. The Committee recommends that the Program Management be held to the fiscal year 1982 level of $48,851,000 in budget authority.

(*c*) *Program changes.*—No program changes have been proposed by the Administration or by the Committee.

Comment.—The following tables provide the Committee's recommendations for fiscal year 1983 budget authority and outlays for the Indian Health Services account (75–0390–0–1–551–00). The tables also contain such information for fiscal years 1984–87.

The Committee has provided increases in the Clinical Services activity of such magnitude to provide, in the Committee's opinion, an effective Federal effort. All of the other activities have been held to the fiscal year 1983 level to contain costs. Although these activities will suffer, the Committee is of the opinion that Clinical Services must receive the necessary increases for IHS and tribes to provide direct patient care. The other activities, while important, must bear reductions which inflation will deal them. Under the Committee's projections, all subactivities and activities remain intact, although reduced, to work in tandem with the Clinical Services program to enhance the health of the Indian population. The Committee feels that all of these activities are necessary and should be continued through fiscal year 1987.

Although the authorizations for appropriations in the Indian Health Care Improvement Act for the Urban Health Program and the Indian Health Manpower Program will expire at the end of fiscal year 1984, the Committee anticipates that legislation extending such programs or establishing substitute programs will be enacted. For this reason, the Committee has included estimates for such programs through fiscal year 1987. Prior to the enactment of the Indian Health Care Improvement Act, the Indian Health Service insisted that it did not have authority to provide alcoholism grants to tribes. The Committee believes that the Snyder Act contains such authorization for IHS, but if any confusion remains on this subject, the Committee would anticipate enactment of legislation to confirm such authority prior to the expiration of the authorization contained in the Indian Health Care Improvement Act.

All other programs with appropriations contained in this account and which may have authorizations for appropriations in the Indian Health Care Improvement Act to expire at the end of fiscal year 1984 are also authorized under other laws. Title II of the Indian Health Care Improvement Act authorizes resources, funds, and positions, in excess of existing resource levels, to reduce the known unmet need for health services in certain program areas to build upon and strengthen the health delivery system. The existing resource levels are authorized by the Snyder Act and the Transfer Act (act transferring responsi-

bility for Indian health care to the Public Health Service in 1954). The Snyder Act is an open-ended authorization and provides for the existing resources as well as the "extra" amount authorized by title II of the Indian Health Care Improvement Act. Title II was enacted simply to bring attention to the known unmet need for health services for Indians.

None of the programs contained in the Indian Health Services account, including the Urban Health Program, are appropriate for inclusion in the President's federalism initiative. The new federalism will have little or no impact on the need for programs contained in the Indian Health Services account. However, if the Urban Health Program is eliminated and the Health Block Grants are relied upon for continuation of these health projects, it is almost certain that there will be some 300,000 Indians in 41 urban locations without health care. In addition, if this happens, the Indian Health Services account will be negatively impacted because the 300,000 urban Indians will return to reservation IHS and tribally operated hospitals and clinics for services. This would raise the service population substantially and the Committee's estimates for the out-years would need to be adjusted upward.

The Committee expects the results of the proposed commitment of federal resources to be improved Indian health. Although the Committee projection holds administration and many of the programs which are currently contracted by the tribes in the preventive health and other areas to the same level of funding for the next five years, it is believed that direct patient care will not be impaired since the Clinical Services projections increase. With the need to restrict federal spending yet provide enough resources for an effective federal effort, the Committee strongly recommends adoption of its projections for this account for fiscal years 1983–87.

TABLE IHS–1.—BUDGET AUTHORITY

[Dollar amounts in thousands]

Appropriation fund/account	1982 appropriation	Reagan 1983	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Indian health services:							
Clinical services:							
IHS and tribal health delivery systems	$358,249	$399,043	$399,043	$438,947	$478,452	$516,728	$552,899
Contract care	122,938	130,547	130,547	138,641	147,237	156,366	166,061
Subtotal	481,187	529,590	529,590	577,588	625,689	673,094	718,960
Preventive health	53,053	25,748	54,548	54,548	54,548	54,548	54,548
Urban health projects	8,160	----------	8,160	8,160	8,160	8,160	8,160
Indian health manpower	5,760	4,044	5,760	5,760	5,760	5,760	5,760
Tribal management	2,634	2,634	2,634	2,634	2,634	2,634	2,634
Program management	48,851	51,264	48,851	48,851	48,851	48,851	48,851
Total, budget authority	599,645	613,280	649,280	697,541	745,642	793,047	838,913

TABLE IHS–2.—OUTLAYS

[Dollar amounts in thousands]

	1982 estimate	1983 estimate	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Indian health services	$600,283	$613,364	$639,816	$686,325	$734,293	$781,831	$828,023

J. MAJOR PROGRAM 10: INDIAN HEALTH FACILITIES (SUBFUNCTION 551)

The Indian Health Facilities budget includes: (1) planning, construction and management of Indian hospitals and outpatient health centers; the modernization, repair and equipping of such facilities: and housing for health facilities staff; and (2) the construction of essential sanitation facilities, including water supplies and waste disposal facilities, drainage facilities, and sewage and waste disposal facilities.

1. Health care facilities

(*a*) *Purposes.*—In addition to the provision of direct health care to Indian people, the IHS is responsible for the design and planning, construction, and management of Indian hospitals and outpatient clinic facilities on Indian lands as well as construction of housing facilities for IHS staff. The IHS presently operates 48 hospitals, 21 of which were built prior to 1940. An additional four are contracted to Indian tribes under the Indian Self-Determination Act. There are 272 outpatient care facilities under IHS management on Indian reservations and Alaska Native villages. Since 1970, 13 new or replacement hospitals and 18 clinics have been constructed.

The Indian Health Care Improvement Act (Public Law 94–437) requires that the IHS be fully accountable to Congress for the planning, management, and operation of IHS health care facilities. Management involves complete inventories of all real property and installed biomedical and other equipment. IHS must evaluate the physical condition need for repair and life expectancy of all real property and equipment. This requires preventive maintenance of buildings and equipment, as well as projections for the future health care bed needs of Indians. IHS is responsible for all contracting from design to construction, for provision of technical assistance to tribes and for the maintenance of a priority system where facilities are ranked in order of the severity of unmet needs. The agency has focused some attention in recent years on design of alternative energy systems for new and remodeled facilities, with particular emphasis on solar.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 request for heatlh care facilities is zero. "The Department of Health and Human Service has established the highest priority in fiscal year 1983 as the provision of direct health care."

The major components of the facilities management and construction program are shown below showing the 1981, 1982, revised 1982 (4 percent reduction in Continuing Resolution) and 1983:

[By fiscal years, dollar amounts in thousands]

	1981	1982	Rev. 1982	1983
Hospitals (construction and planning for new and replacement facilities)	$25,693	$9,928	$9,531	0
Modernization and repair	3,300	200	192	0
Outpatient facilities (construction and planning)	670	10,014	9,613	0
Personnel quarters	650	350	336	0
Total	30,313	20,492	19,672	0

Hospitals

Fiscal year 1981 funds provided construction for one new facility and one replacement facility, and planning for two facilities.

Fiscal year 1982 funds provide for the construction of one new facility, and for planning and design of two other facilities. Congress has directed IHS to build facilities according to the priority of unmet Indian health needs. Lists are updated regularly and IHS has attempted to plan and/or construct a minimum of five facilities per year. The Senate Select Committee on Indian Affairs recommends that a minimum of one hospital be constructed per year using a two year funding cycle, with 60 percent of the estimated costs appropriated the first year and 40 percent the second year.

There are two hospitals for which planning and design have been completed. The Committee recommends that the Crownpoint, New Mexico replacement hospital be allocated $10,428,000 for fiscal year 1983 and $6,852,000 in 1984. For fiscal year 1984, the Committee recommends that the Kanakanak, Alaska replacement hospital receive $11,272,000 in fiscal year 1984 and $7,514,000 in fiscal year 1985. Two other hospitals were allocated planning funds in the fiscal year 1982 appropriation and will be ready for construction sometime after fiscal year 1984. The Sacaton, Arizona, facility should receive construction funds of $10,200,000 in fiscal year 1985 and the balance of $6,800,000 in fiscal year 1986. The new hospital at Rosebud, South Dakota should be allocated $10,800,000 in fiscal year 1986 and the balance of $7,200,000 in fiscal year 1987.

In addition, planning funds for at least one hospital should be appropriated each year if the federal government is to protect its investment in these facilities. There are three facilities in the top five of the IHS priority list that have received no planning funds. An estimated $3 million is needed for Anchorage, Alaska, $650,000 for Wagner, South Dakota, and $1.1 million for Pine Ridge, South Dakota. Averaging these estimated costs for three years, the minimum planning appropriation should be $1.5 million per year.

Modernization and Repair

The funds appropriated for this section are not the ordinary maintenance/repair costs of maintaining IHS facilities. They are funds allocated for specific facilities or purposes that are not considered "ordinary" costs of maintenance. The $3,300,000 appropriated in fiscal year 1981 was used for modernization and repair of three health facilities, one each in Arizona, Nebraska and Montana. The $192,000 in fiscal year 1982 has been allocated for technical energy surveys.

The Select Committee on Indian Affairs recommends that $1,072,000 be appropriated in fiscal year 1983 for modernization of the facility at Mt. Edgecumbe, Alaska.

Major modernization and construction of new space is also needed at Browning, Montana, for which planning funds were appropriated in fiscal year 1981. The estimated cost of $11.4 million should be allocated over two years, with 60 percent the first year and 40 percent

the second year, or $6,840,000 in fiscal year 1983 and $4,560,000 in fiscal year 1984.

Outpatient Facilities (Construction and Planning)

In fiscal year 1981, $670,000 was appropriated for planning one replacement facility and two new facilities. The $9,613,000 in fiscal year 1982 is being used to construct these three outpatient centers in Oklahoma, Arizona, and New Mexico. The Select Committee on Indian Affairs recommends that $170,000 for planning be included in the fiscal year 1983 budget cycle for three facilities, at Kyle, South Dakota ($45,000); at Fort Thompson, South Dakota ($45,000); and at Wolf Point, Montana ($80,000). These are the first three ranked facilities needing planning funds. There are no facilities that have received planning funds but no construction monies. The Committee further recommends $3,000,000 per fiscal year for outpatient facility construction to be allocated in accordance with the priority ranking list.

Personnel Quarters

Since 1971, the IHS has constructed 442 units to house IHS staff at 15 locations. The fiscal year 1981 funds provided $650,000 for ten units of personnel housing in Montana and in fiscal year 1982, $336,000 is being used to construct 228 units of personnel quarters in Arizona.

In conjunction with the hospital construction funding recommendations above, the Committee recommends that $4,875,000 be appropriated in fiscal year 1984 for staff housing at Crownpoint, New Mexico; in fiscal year 1985, $4,091,000 for 28 units at Kanakanak, Alaska; and, in fiscal year 1986, $2.4 million for 32 units at Browning, Montana.

(*c*) *Program changes.*—No program changes are anticipated for fiscal year 1983.

2. Sanitation facilities

(*a*) *Purposes.*—Public Law 86–121, the Indian Sanitation Facilities Act authorizes the IHS to provide essential sanitation facilities to homes and communities on Indian reservations and in Alaska Native villages. It is essentially a preventive health program, based on the knowledge that improved water supply and sewage/sanitation facilities contributed significantly to the reduction of infant mortality, gastroenteritis death rates and other environmentally related diseases.

It is estimated that one-third of all houses on Indian trust lands are without adequate water and sewer systems. This means that about 50,000 Indian and Native Alaska homes rely on water from ditches, from hand wells, and from melted snow where water quality is often below standard and hazardous to health. Waste disposal is also very primitive in such homes, contributing further to acute health dangers.

About 500 of the 1,500 Indian and Alaska Native communities have never been served by the IHS sanitation facilities program. However, by an interagency agreement involving BIA, IHS and HUD,

the IHS has provided water and sewer service to about 71,000 new and improved Indian homes constructed under federal housing programs. Approximately 10,000 additional Indian homes in scattered, remote, rural locations have been served by IHS.

The costs are usually allocated in two phases: Phase I includes all preconstruction items: engineering, design, materials specifications, soil studies, percolator tests, etc. Phase II are the actual construction costs of the facilities. A total of $7,500 is the average cost per unit for both Phase I and Phase II.

(*b*) *Estimated fiscal year 1983 cost of programs as presently authorized.*—Funding for sanitation facilities was $52,740,000 in fiscal year 1981 and $27,480,000 in fiscal year 1982. The Administration has not requested fiscal year 1983 funding for sanitation facilities. "The Administration recognizes the need for funding sanitation facilities for remaining federally funded Indian homes and the sources of funding are still under consideration."

The Select Committee on Indian Affairs is unclear about what "other sources of funding" might be available. Suggestions have been made that the Department of Housing and Urban Development, which has over 14,000 units of Indian housing in the "pipeline" can absorb the costs of water-sewer hookups. The only conceivable way HUD could do so would be to reduce the number of Indian housing units in the pipeline. Further, the cost per unit for water/sewer under HUD funding would be $10,000 to $11,000 as opposed to the $7,500 it costs IHS. There are two reasons for this: One, HUD must use Davis-Bacon wage rates and second, IHS already has a system in place for provision of these services to Indian homes and absorbs costs that would have to actually be paid by HUD.

The Select Committee on Indian Affairs recommends that IHS continue to perform its obligations under P.L. 86–121, at least until another system for delivery of such services is in place. There is no indication that such a system will be in place in fiscal year 1983. Additionally, the Committee recommends a supplemental fiscal year 1982 appropriation of at least $17 million to provide Phase II water and sewer for 5,017 federal Indian housing units that are already under construction but for which no money for water/sewer is available. A total of $30 million is needed and the additional $13 million should be included in the fiscal year 1983 budget for these units.

The IHS has identified an additional 2,518 units in the HUD Indian housing pipeline for which no Phase I or Phase II moneys are available. This is exclusive of the 4,000 units allocated for Indian housing in HUD's fiscal year 1982 appropriation that the Administration proposes for rescission. Assuming Congress does not approve this rescission, and this Committee recommends against such approval, there will be 6,518 units needing water and sewer facilities at an average cost of $7,500 each. The Committee recommends that the total cost of $48,750,000 be appropriated in two fiscal years: $24,325,000 in fiscal year 1983 and $24,325,000 in fiscal year 1984.

(*c*) *Program changes.*—Program changes are anticipated but the Select Committee on Indian Affairs does not believe they can be placed before the beginning of fiscal year 1983.

TABLE IHF-1.—BUDGET AUTHORITY

[Dollar amounts in thousands]

Appropriation fund/account	1982 appropriation	Reagan 1983	SCIA 1982	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Indian health facilities:								
Hospitals:								
Construction	$7,584	----------	$7,584	$10,428	$18,124	$17,714	$17,600	$18,2[illegible]
Planning	1,947	----------	1,947	1,500	1,500	1,500	1,500	[illegible]
Modernization and repair	192	----------	192	7,912	4,560	3,000	3,000	[illegible]
Outpatient facilities:								
Construction	9,613	----------	9,613	3,000	3,000	3,000	3,000	3,000
Planning	----------	----------	----------	170	100	100	100	100
Personnel quarters	336	----------	336	----------	75	4,391	2,400	3,000
Sanitation	27,480	----------	44,480	37,325	25	30,000	30,000	30,000
Total, budget authority	47,152	----------	64,152	60,335	[illegible],484	59,405	57,600	58,500

TABLE IHF-2.—OUTLAYS

[Dollar amounts in thousands]

	1982 appropriation	Reagan 1983	SCIA 1982	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Indian health facilities	$84,884	$58,835	$90,971	$87,601	$67,938	$67,032	$52,740	$60,664

K. MAJOR PROGRAM 11: OFFICE OF ELEMENTARY AND SECONDARY EDUCATION—INDIAN EDUCATION (SUBSECTION 501)

1. Part A

(*a*) *Purposes.*—The Indian Education Act (Title IV of Public Law 92–318) program consists of several component parts. The Part A program is the largest and is the only Indian education supplemental program specifically for public school districts. Part A addresses the special educational and culturally related academic needs of Indian children enrolled in public elementary and secondary schools and also in Indian controlled schools. Grants are made on a formula basis to local education agencies (public schools) and to tribal contract schools and on a competitive basis to Indian-controlled schools which do not have a contract with the Bureau of Indian Affairs or do not meet standards established by BIA in accordance with Public Law 95–561 (the Education Amendments of 1978).

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for Part A is $35,465,000. This compares to $54,960,000 appropriated in fiscal year 1982. However, the Administration has proposed a rescission of $4,580,000 to reduce the fiscal year 1982 level to $50,380,000.

The fiscal year 1983 request for Part A is a 35.5 percent reduction below the fiscal year 1982 appropriation and would be a 29.6 percent reduction below the revised fiscal year 1982 level of $50,380,000 if the rescission is approved. It is estimated that Part A formula grants will be made to 1,080 public school districts enrolling approximately 301,320 Indian students and to 38 tribal schools, enrolling about 7,258 students. It is estimated that the fiscal year 1983 formula program would result in a per pupil expenditure of $104, some $59 below the fiscal

year 1982 appropriation and $46 below the fiscal year 1982 revised level if the rescission is approved.

The Part A program reaches most Indian children attending public and tribal schools, whether they are on reservations or in urban or rural nonreservation areas. It is the only formula Indian education program which serves Indian children regardless of their location. It is also the only Indian education program to serve Indian students in public schools who are from terminated and nonfederally recognized tribes. The program is one of the most efficient means of targeting funds for compensatory education to Indians. Although progress has been made, Indian students still remain severely educationally disadvantaged. With the program in place, Indian students show increases in test scores, increases in school attendance rates, and decreases in dropout rates.

The bulk of Part A funds goes to public school districts with high poverty rates and low local revenues because of the non-taxable status of federal Indian land. With reductions in impact aid, many school districts have come to rely heavily on Part A. In addition, the tribally controlled schools are particularly dependent on Part A to supplement the funds collected from the Bureau of Indian Affairs for instructional purposes and for operation and maintenance. Many public schools and particularly tribally-controlled schools have had to piece their budgets together carefully from all sources to provide adequate education services. The Part A program is an important part of the school budget of schools with large Indian student populations.

The Committee believes that the Part A program is a very worthwhile program and recommends that the rescission proposed by the Administration be disapproved. In addition, the Committee does not accept the Administration's fiscal year 1983 estimate for budget authority and outlays. The Committee recommends $50,000,000 in budget authority for fiscal year 1983, of which $45,000,000 should be provided for the formula program and $5,000,000 for competitive grants to Indian-controlled schools.

(*c*) *Program changes.*—The Administration has proposed that the Part A program be transferred to the Bureau of Indian Affairs of the Department of the Interior. Although the Committee objects to this transfer in concept, no legislation has been transmitted to the authorizing committees for consideration. The Committee has no proposals of its own to change the current authorizing legislation.

2. Part B

(*a*) *Purposes.*—The Part B program established by the Indian Education Act provides grants on a competitive basis to tribes, Indian organizations, institutions of higher education, and individuals. Specific activities include: (1) planning, pilot, and demonstration projects; (2) educational service projects; (3) education personnel development projects; (4) fellowship awards (in medicine, law, education, business administration, engineering, and natural resources); and (5) resource and evaluation centers. Applications for all types of Part B activities are reviewed by a panel of outside field readers and agency program specialists and awards are based on criteria specified in regulations.

The Part B program serves the twin goals of improving the quality of educational programs for Indians and enabling Indian people and

their tribal organizations to assume responsibility for the direction of their own educational programs. The program is the most versatile of all the Indian Education Act programs.

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for Part B is $9,600,000. This compares to $14,880,000 appropriated in fiscal year 1982. However, the Administration has proposed a rescission of $1,240,000 to reduce the fiscal year 1982 level to $13,640,000.

The fiscal year 1983 request for Part B activities is a 35.5 percent reduction below the fiscal year 1982 appropriation and 29.6 percent below the fiscal year 1982 revised level. The amount for each activity and the percentage reduction below the fiscal year 1982 appropriation are as follows: (1) planning, pilot, and demonstration projects—080,000, which represents an 8.3 percent reduction below last year's appropriation; (2) education service projects—$1,420,000, which represents a 63 percent reduction; (3) educational personnel development—$2,000,000, which represents a 47.9 percent reduction; (4) fellowships—$1,000,000, which represents a 30.6 percent reduction; and (5) resource and evaluation centers—$2,100,000, which represents a 12.5 percent reduction.

The Part B grant program has been an essential source of educational funding both for federally recognized Indians on or near the reservation to supplement Bureau of Indian Affairs funds and for urban and rural nonreservation Indian tribes or groups as their only source for Indian education funding. The projects funded have ranged from providing tutoring, bilingual-bicultural education, early childhood education, guidance and counseling, remedial basic skills, dropout prevention, career education, career awareness, and curriculum development to computer-assisted instruction. Many projects have demonstrated a high degree of effectiveness.

The Fellowship program and the Education Personnel Development program have provided Indian students with the financial means to study medicine, law, engineering, forestry, business, or to study to be teachers, school administrators, librarians, counselors, and other specialists. The Fellowship program has a 68.8 percent completion rate for individuals earning degrees compared to an 18 percent completion rate for all Indian undergraduates (as reported in a 1978 GAO study). The Educational Personnel Development program has a 69.9 percent completion rate.

The Committee is of the opinion that education for Indian young people is of such importance, if the Indian population is ever going to move towards self-sufficiency, that these programs should not be reduced. The current appropriation is not meeting the great need, and a reduction would deal a great blow to the progress that has been made thus far to raise the level of Indian education from the bottom of the scale for the American general population. The Committee recommends that the proposed rescission be disapproved. In addition, the Committee does not accept the Administration's fiscal year 1983 estimate for budget authority and outlays. The Committee recommends $15,000,000 in budget authority for Part B for fiscal year 1983, of which $1,500,000 should be provided for the Fellowship program.

(c) *Program changes.*—The Administration has proposed that the Part B program be transferred to the Bureau of Indian Affairs of the Department of the Interior. Although the Committee objects to this transfer in concept, no legislation has been transmitted to the authorizing committees for consideration. The Committee has no proposals of its own to change the current authorizing legislation.

3. Part C

(a) *Purposes.*—Part C of the Indian Education Act provides grants on a competitive basis to Indian tribes, organizations, and institutions to address the adult education needs of Indians. The program supports educational service projects designed to specifically address locally identified needs of Indian adults and also supports planning, pilot, and demonstration projects designed to test and demonstrate innovative approaches to meeting Indian adult education needs.

(b) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for Part C is $3,365,000. This compares to $5,213,000 appropriated in 1982. However, the Administration has proposed a rescission of $435,000 to reduce the fiscal year 1982 level to $4,778,000.

The need to improve and expand educational opportunities for Indian adults is clearly indicated by the poor ranking of Indians on many social indicators. Education, employment, and income levels are all considerably lower for Indians than for the majority population. The high school dropout rate for Indian males is 30 percent compared to 13 percent for white males and is 42 percent for Indian females compared to 14 percent for white females. Although there have been improvements due to the extra emphasis on Indian education with the passage of the Indian Education Act, the educational needs of Indian adults are still great.

The Committee is of the opinion that basic education is a must for Indian adults and all other Americans to function as responsible citizens in a modern world. If the Indian population is to move towards self-sufficiency, the adult Indian population must possess basic skills and raise its literacy rate. The current appropriation has not met the great need, either on or near reservation or in urban and rural nonreservation areas, and a reduction would impede progress in this area. The Committee recommends that the proposed rescission be disapproved. In addition, the Committee does not accept the Administration's fiscal year 1983 estimate for budget authority and outlays. The Committee recommends $6,000,000 in budget authority for fiscal year 1983.

(c) *Program changes.*—The Administration has proposed that the Part C program be transferred to the Bureau of Indian Affairs of the Department of the Interior. Although the Committee objects to this transfer in concept, no legislation has been transmitted to the authorizing committees for consideration. The Committee has no proposals of its own to change the current authorizing legislation.

4. Part D

(a) *Purposes.*—The Part D component of the Indian Education Act program is Program Administration. Part D includes funds for staffing, travel, and other administrative expenses of the Indian Education Program office and the National Advisory Council on Indian Education (NACIE).

(*b*) *Estimated fiscal year 1983 cost of program as presently authorized.*—The Administration's fiscal year 1983 estimate for Part D is $2,689,000. This compares to $2,799,000 appropriated in fiscal year 1982. The Administration has not proposed a rescission of any of the Part D appropriation.

The Administration's request for fiscal year 1983 consists of $2,494,000 for the administrative costs of the Indian Education Program Office and $195,000 for NACIE. The request for the program office is $103,000 below the fiscal year 1982 level, resulting in a 4 percent reduction, and the request for NACIE is $7,000 below the fiscal year 1982 appropriation, resulting in a 3.5 percent reduction.

The Committee believes that administrative costs should be kept to a minimum to assure more concentration of the federal domestic program dollar on actual services to the people. The Committee accepts the Administration's fiscal year 1983 estimate of budget authority and outlays for Part D.

(*c*) *Program changes.*—The Administration has proposed that the Indian Education Act program be transferred to the Bureau of Indian Affairs of the Department of the Interior. Although the Committee objects to this transfer in concept, no legislation has been transmitted to the authorizing committees for consideration. The Committee has no proposals of its own to change the current authorizing legislation.

Comment.—The following tables provide the Committee's recommendations for fiscal year 1983 budget authority and outlays for the Indian Education Act program (Department of Education—Office of Elementary and Secondary Education—Indian Education) account 91–010–0–1–501–00). The tables also contain such information for fiscal years 1984–87.

The Committee has held the activities in this account to the fiscal year 1983 level for fiscal years 1984–87. Although the programs should ideally be funded at levels in the out-years so as to account for inflation, the Committee is of the opinion that an effective federal effort can be mounted with the recommended budget authority. It should be pointed out that the Committee has recommended the absolute minimum for these programs. The Omnibus Budget Reconciliation Act of 1981 extended the authorizations for appropriations for the Indian Education Act through fiscal year 1984 (section 528 of Public Law 97–35), and imposed appropriations ceilings for fiscal years 1982 through 1984. The ceilings for fiscal years 1983 and 1984 are $88,400,000 and $95,300,000, respectively, (section 517). The Committee has not abandoned its belief that these amounts are needed; but in the interest of restrictions in federal spending to promote economic recovery, it is this Committee's best judgment that the amounts recommended will sustain an effective, but reduced, federal effort.

As indicated above, the authorizations for appropriations for the Indian Education Act will expire at the end of fiscal year 1984. The Committee anticipates that legislation extending such authorizations or establishing substitute programs will be enacted prior to the expiration.

None of the programs contained in the Indian Education account are appropriate for inclusion in the President's federalism initiative. The new federalism will have no positive impact on the Indian Education Act program but will emphasize the need for such programs. The public schools will receive less funding after all education state block

grants are in place and will depend more on Indian Education Act funding. The Indian-controlled schools and Indian tribes, organizations, and institutions are not eligible for direct funding under the current Elementary and Secondary Education Block Grant. If this trend continues with more categorical programs being eliminated or folded into a similarly restricted block grant, the Indian tribes and organizations will have little else available other than this program outside the Bureau of Indian Affairs education programs. The BIA programs serve only about half of the Indian population while the Indian Education Act programs serve all Indians. The Indian Education Act programs must continue with their current service population as a categorical program.

The Committee expects the results of the proposed commitment of federal resources to be improved in Indian education programs, increase in completion rates for Indian high school, college, and graduate students, decrease in the illiteracy rate among Indians, and ultimately increased Indian self-determination. Although the budget authority for fiscal years 1984–87 has been held to the fiscal year 1983 level and the programs must bear reductions dealt them by inflation, the Committee does urge their continuance. With the need to restrict federal spending yet provide enough resources for an effective federal effort, the Committee strongly recommends adoption of its projections for this account for fiscal years 1983–87.

TABLE OIE-1.—BUDGET AUTHORITY

[Dollar amounts in thousands]

Appropriation fund/account	1982 appropriation	Reagan 1982	Reagan 1983	SCIA 1982	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Indian education: Department of Education:									
Part A	$54,960	$50,380	$35,465	$54,960	$50,000	$50,000	$50,000	$50,000	$50,000
Part B	14,880	13,640	9,600	14,880	15,000	15,000	15,000	15,000	15,000
Part C	5,213	4,778	3,365	5,213	6,000	6,000	6,000	6,000	6,000
Part D	2,799	2,799	2,689	2,799	2,689	2,689	2,689	2,689	2,689
Total, budget authority	77,852	71,597	51,119	77,852	73,689	73,689	73,689	73,689	73,689

TABLE OIE-2.—OUTLAYS

[Dollar amounts in thousands]

	1982 appropriation	Reagan 1982	Reagan 1983	SCIA 1982	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Indian education: Department of Education	$73,531	$71,526	$67,609	$73,531	$75,057	$73,438	$73,689	$73,689	$73,689

III. New Legislation Affecting Budget Authority and Outlays in FY '83

MAJOR PROGRAM 1

In the 1st Session of the 97th Congress, the Committee reported out S. 1088, a bill to reauthorize the Administration for Native American

programs in the Department of Health and Human Services. The bill, as amended in Committee, would provide for a new program in ANA to provide for support of tribal government and economic development on Indian reservations and trust land areas, and would authorize appropriations to fund this new program at $50 million per annum. The Committee anticipates moving this, or similar legislation, during this session of Congress. The Committee recommends full funding of $50 million for this program in fiscal year 1983, with funding in fiscal year 1984 and fiscal year 1985 at $50 million in each fiscal year.

MAJOR PROGRAM 2

Public Law 95–328 enacted by the Congress in 1978, provided a legislative settlement of water claims of the Ak Chin Indian Community in the State of Arizona. This Act authorized an appropriation of an aggregate sum of $42,500,000 for construction of water delivery systems to the Ak Chin community. The Administration has not requested any funding for continuation of this project in the BIA justification but states that it will submit legislation to amend the authorizing act to cover costs of completion. The BIA justification states that the Administration will request $29,800,000 to cover the costs of completion. The Committee recommends appropriation of the full $29.8 million in fiscal year 1983.

MAJOR PROGRAM 3

There is pending before this Committee S. 2114, a bill to provide for settlement of Papago Indian water claims in portions of the Papago Indian reservation, and allocate water usage rights between the tribe, the City of Tucson, Arizona, and other non-Indian water users. A companion bill, H.R. 5118, has been passed by the House of Representatives and has been referred to this Committee. This legislation imposes certain obligations on the Secretary of the Interior which involve completion of the Central Arizona Project, construction of certain irrigation works on the Papago Indian Reservation, and acquisition of certain water. The bills also provide for liability of the United States in the event of failure to deliver the agreed upon quantities of water. In exchange, the tribe agrees to dismiss a pending lawsuit for adjudication of water rights and to quantify its water entitlement.

S. 2114 and H.R. 5118 authorizes the establishment of a trust fund in the amount of $15,000,000 for the benefit of the Papago Indian Tribe, interest from which may be used for purposes related to water delivery and use. Both S. 2114 and H.R. 5118 provide that effective October, 1982, there are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act. The Committee recommends appropriation of $15 million to establish this trust fund in fiscal year 1983.

NEW PROGRAMS ANTICIPATEDS BY CIA

[Dollar amounts in thousands]

Appropriation fund/account (Account 752-1636-01-506)	Similar program 1982	Reagan 1983	SCIA 1983	SCIA 1984	SCIA 1985	SCIA 1986	SCIA 1987
Administration for Native Americans program (S. 1088):							
Budget authority	$28,000	$23,282	$78,000	$78,000	$78,000	$78,000	$78,000
Outlays			43,000	73,000	78,000	78,000	78,000
Operation of Indian programs—Regional development—Construction and operation of Indian programs—Conservation and land management:							
Budget authority:							
Ak Chin water project	17,760		29,800				
Papago water system			16,000		65,000		20,000
Total, budget authority	17,760		45,800		65,000		20,000
Outlays			5,000	15,000	56,800	13,000	21,000

IV. Committee Comments on Funding of Programs Within Jurisdiction of Other Authorizing Committees

A. IMPACT AID (SUBFUNCTION 451)

The Committee recently conducted a hearing regarding the proposed impact aid budget reductions for fiscal year 1983. Representatives from public school districts serving Indian children in Arizona and Montana testified that the proposed reductions will cause the districts to take drastic actions, such as the following: (1) Establishing confiscatory property tax rates (examples—if 874 funds were eliminated, the Whiteriver Unified School District in Arizona, in order to make up for the lost funds, would have a tax rate of $96.95 per $100 of valuation and in the Rocky Boy School District in Montana, the tax rate would be $400 per $100 of valuation); (2) Reducing and/or eliminating programs and personnel which would tremendously reduce the quality of education for these Indian children; and (3) Ceasing operations by fiscal year 1985 should the Administration's budget stand, which would mean far greater costs to the Federal Government.

Both Department of Education and Bureau of Indian Affairs personnel admitted during the hearing that if the BIA had to assume the responsibility for educating Indian children now attending public schools the cost would be much greater for the Federal Government than if the children remained in public schools. The reason is fairly simple, Impact Aid pays a portion of the Indian child's educational expenses when attending a public school on or near a reservation. The public school also receives State assistance and funds from local governmental sources, in the event there is some taxable property, for educating that Indian child. If that child were to attend a BIA school, there would be no State or local contribution of funds. Thus, the Federal Government would be required to pay the entire cost which would greatly increase the Federal expenditure for educating the child. There are currently 98,000 Indian children counted for impact aid in public schools and 39,000 in BIA and BIA contract schools.

Further, witnesses at the hearing presented evidence showing that facilities of public school districts located on Indian reservations are

not adequate to house the number of students in attendance and are below minimal health and safety standards. The bonding capacity of a school district located on a reservation is very limited because of little taxable property and low assessed valuation. For example, the Chinle Public School District, located on the Navajo Reservation, has an assessed valuation of $10,000,000 and, according to state law, is authorized to go into debt equal to fifteen percent of its assessed valuation. Thus, the district has a bonding capacity of $1.5 million. Presently, the district voters have authorized an indebtedness of $1.3 million, but because of several reasons the bonds are not selling. The funds that the district can raise for building is rather inconsequential when compared with its construction needs of $38 million.

Overcrowding can be demonstrated by describing the Chinle District's high school facility. It was constructed in 1963 for a capacity of 350 students. Presently, 901 are enrolled.

The Window Rock School District, located on the Navajo Reservation, faces a more severe situation because its high school recently burned to the ground. Lack of bonding capacity has caused district officials to house the students in temporary buildings while trying to raise the necessary funds to rebuild. Additional examples could be given. However, perhaps it is best to say, at this point, that building funds are desperately needed by public schools located on Indian reservations.

The Senate Select Committee on Indian Affairs recommends the following levels of funding for the Impact Aid programs:

(1) Public Law 81–874 should be funded at $455,000,000 for fiscal year 1983. This amount is identical to the ceiling established by the Omnibus Budget Reconciliation Act of 1981, $455 million will assure, when proportionally allocated, that public school districts educating Indian children receive the federal resources necessary to continue their operations.

(2) Public Law 81–815 should be funded at $20,000,000 for fiscal year 1983. Again, this amount is identical to the ceiling established by the Omnibus Budget Reconciliation Act of 1981. $20 million will allow for approximately the same level of funding for construction programs during fiscal year 1983 for those public school districts educating Indian children that demonstrate a pressing need for basic facilities.

B. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT INDIAN HOUSING PROGRAM (SUBFUNCTION 604)

Although the Select Committee on Indian Affairs has no legislative jurisdiction over this program, it is of vital interest to the Committee which does exercise oversight responsibilities in the area of Indian housing. Oversight hearings were held in both 1980 and 1981. The Committee prepared an Indian housing status report that was published in 1979.

Federally-assisted housing on Indian reservations and trust land areas (Alaska and Oklahoma) is provided primarily by HUD's Indian Housing Program. The 1978 HUD annual report indicated that HUD finances over 90 percent of all new Indian housing on Indian reservations (including low-rent projects and homeownership units) and that

the Mutual Help Homeownership Opportunity Housing Program at HUD accounts for approximately 70 percent of the publicly assisted housing on reservations. The 1980 HUD annual report to Congress on Indian and Alaska Native housing and community development indicated that a minimum of 60,000 new housing units are needed on Indian reservations and trust areas.

In fiscal year 1981, HUD received $13.8 million in new contract authority for Indian housing and reserved about 2,000 units. Construction was begun on 4,097 units and another 4,084 were made available for occupancy. Reservations for these units were made in previous fiscal years. For the six years prior to 1981, Congress authorized 6,000 units of Indian housing each year. According to HUD testimony, 14,000 units are now in the development pipeline and will be available for occupancy within the next 2–3 years.

In fiscal year 1982, HUD requested zero funding for Indian housing. However, the Congress appropriated monies for 4,000 Indian housing units. HUD has asked Congress to rescind the fiscal year 1982 funds appropriated. According to HUD testimony, the zeroing out of Indian housing for fiscal year 1983 and the rescission of the fiscal year 1982 appropriation will not affect the 14,000 units in the pipeline.

Given the severe housing needs on Indian reservations and trust areas, and the fact that HUD is the primary source for Indian housing, the Administration's failure to request funding for fiscal year 1983 and its rescission request of the fiscal year 1982 appropriations make little sense. The need for Indian housing and the substandard conditions under which most Indians live has not significantly changed since the 1980 HUD report which stated that 60,000 units were needed. Furthermore, there have been no proposals or reports forthcoming from an inter-agency Task Force on Indian Housing established by OMB in the fall of 1981. This Task Force is to review Indian housing and related programs with a mandate to improve housing delivery mechanisms, and to propose methods to draw private capital to Indian reservations.

The Select Committee is aware that new Indian Housing initiatives are in the legislative drafting stages. It is possible that such a program can be in place by the beginning of fiscal year 1983. However, the exact proposals and their chances of legislative success are uncertain at this time. Some experts estimate that at least $200 million in new budget authority will be necessary for the first year of operation of any new federal Indian housing program. The Committee, therefore, recommends that at least 4,000 units be authorized for the HUD Indian housing program for fiscal year 1983 and that the authorization be adjusted or shifted when and if required by a new Indian housing program. The 4,000 units would mean approximately $30 million in new contract authority and approximately $750 million in long-term budget authority amortized over a 28-year period.

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